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# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, January 19, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



**SUMMARY AND INDEX  
TO MINUTES  
OF THE  
AIRPORTS COMMISSION MEETING**

Calendar Section	Agenda Item	Title	Resolution Number	Page(s)
A.		Call to Order		3
B.		Roll Call		3
C.		Adoption of Minutes	82-0001	3
D.		Special Item		3-4
	1.	Retirement of Airport Operations Supervisor, Kevin Shanahan	82-0002	3
E.		Director's Reports		4-6
	3.	Oral Presentation - Employees Parking Lot and Security Problems Involved		4
	4.	Oral Information on the Use of Three Passenger Loading Areas by Three Limousine Operators		4-6
F.		Items Initiated by Commissioners		6
G.		Agenda Items Involving Major Policy or Operational Decisions		7-8
	5.	Policy Statement for Relinquishing Leased Terminal Spaces	82-0003	7
	6.	Terminal Area Rental Rate Schedule for Non-Airline Users.	82-0004	7
	7.	Authorization to Receive Bids for Concession		7
	2.	Airports Commission Commendation to Airport Staff for Aviation Safety Institute Award	82-0005	7-8
H.		Consent Calendar of Routine Administrative Matters		8-10
	8.	Resolution Approving Assignment of Lease by ARCO to PSA, Inc.		8
	9.	Award of Contract - Professional Audit Services - Not to Exceed \$40,000.	82-0006	8
	10.	American Airlines - Approval of Renewal Option for Plot 7E	82-0007	8
	11.	Parking Fee Schedule Clarification	82-0008	8



Summary and Index (continued)

12.	Approval of Modification No. 1 to Professional Services Agreement with Joseph Chow, A.I.A., Architect, Extension of Automatic Termination Date. No Change in Total Contracted Amount	82-0009	9
13.	Settlement of Litigation, \$5,600	82-0010	9
14.	Settlement of Litigation, \$7,000	82-0011	9
15.	Reimbursement of Host Interna- tional for Moving Expenses Associated with the Moderni- zation and Replacement Pro- gram in the Central Terminal Not to Exceed \$50,000	82-0012	9
16.	Tenant Work, United Airlines Maintenance Operations Center T-2603, \$20,000	82-0013	10
17.	Bid Call: Contract No. 1276, Steeel Stairs & Grating, Central Plant Cooling Tower	82-0014	10
18.	Modification No. 1 and Comple- tion of Contract No. 1247, Alterations to Maintenance Building	82-0015	10
19	FAA Rental of Workshop and Storage Space in Building A69 on Plot 42A	82-0016	10
H.	Trailing Calendar		11
I.	Adjournment of Meeting		11



MINUTES  
OF THE  
AIRPORTS COMMISSION  
MEETING

Tuesday, January 19, 1982

A. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. Roll Call:

Present:

Commissioners Morris Bernstein, William K. Coblenz, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell

Absent:

None

\* \* \*

C. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

No. 82-0001

Resolution adopting Minutes of the December 15, and Special Meetings of December 22, and December 28, 1982, of the Airports Commission.

\* \* \*

D. Special Item:

1. Retirement of Airport Operations Supervisor Kevin Shanahan.

No. 82-0002

Resolution expressing best wishes for the fullest measures of health and happiness after having served San Francisco International Airport for thirty-four and a half years.

Mr. Louis A. Turpen, Director of Airports, expressed his and the staff's appreciation of the many years of service by Operations Supervisor, Kevin Shanahan.



D. Special Item (continued)

Commissioner Bernstein added his congratulations and asked Mr. Shanahan if he would like to speak.

Mr. Shanahan said he enjoyed his work experience at the Airport and stated his appreciation the opportunity that was granted to him.

\* \* \*

Calendar Item No. 2 was passed over for the moment.

\* \* \*

E. Director's Reports:

3. Oral Presentation - Employees Parking Lot and Security Problems Involved.

Mr. Turpen said some concerns were voiced by the employee groups about flooding in the parking area; that this would be taken care of; that the depressions in the lot that accumulate water would be corrected; that in regard to the alleged crimes committed on the parking lot, since November 1st, only 3 incidents have been reported; that the Union Square Garage had 12 and the Civic Center had 4 incidents during the same past 3 months.

Commissioner Kadish said that it is fine to have a follow-up report but what is more important is how quickly the repairs are made and requested a report on the repairs.

Mr. Robert Lee, Deputy Director , Engineering & Planning, said that a work order has been issued; that it takes only two days and that the work will start next week, weather permitting.

Commissioner Kadish asked if there are lights in the employee parking lot and was told that there are; that it is part of the public long term parking lot.

Commissioner Fleishell said that the surface of the lot is better than the streets we drive on in the City.

4. Oral Information on the Use of Three Passenger Loading Areas by Three Limousine Operators.

Mr. Turpen said this report was in response to a request from the Commission; that in 1979, the Airport had two limousine operators - Airport Limousine of Sunnyvale and Associated Limousine of San Francisco; that at that time there was a petition for additional service at the Airport and the Airports Commission decided that anyone who had a state PUC passenger permit and a corresponding certificate of public convenience and necessity would be allowed to occupy the booths in the terminal facilities and small staging areas for limousines outside the terminals in areas commonly called the courtyards; that at that time the Airport went from two limousine companies to four and



3. Oral Information (continued)

included Holiday Limousine and Golden State Limousine; that those were the criteria for occupying the booths and having these additional parking places; that Airport Limousine of Sunnyvale purchased Holiday in 1980 and the Airport went back to three limousine companies; that those three exist as of today; that recently Airport Limousine of Sunnyvale entered into negotiation with the Airport Connection and Airport Connection attempted to purchase Airport Limousine; that the state PUC issued an order approving such a purchase so long as it was completed by October 15, 1981; that this purchase has not yet been completed; that Airport Connection has been operating Airport Limousine under a management type contract; that Airport Limousine has not maintained their performance bond and insurance nor have they made payments on their permit fees; that these are cause for revocation of their permit; that the order revoking this permit with 72 hours notice was signed today; that this revocation will result in two authorized limousine companies operating in the terminal facilities; that if they Commission's rules and regulations are complied with they will be permitted to continue to operate since they will have met all criteria.

Commissioner Kadish asked how long it had been known about the insurance and fees.

Mr. Turpen said since October.

Mr. Don Garibaldi, Airports General Counsel, said payments had been stopped in October; that the purchase of Airport Limousine has been pending; that extensions had been granted; that it is now concluded the purchase will not be completed and the permit is being revoked.

Commissioner Kadish asked about the delinquent permit fees.

Mr. Garibaldi said some have been paid by Airport Connection, but none since October; that there would not be too many fees, but collection will be pursued.

Commissioner Fleishell asked about their insurance.

Mr. Garibaldi said the Airport has just become aware of the fact that their insurance has been cancelled.

Commissioner Fleishell pointed out the need for staff to keep aware of such situations without Commission inquiry; that immediate steps should be taken when certificates of insurance are not up to date; that the same procedure should cover fees, steps should be taken to revoke privileges.

Mr. Turpen said he would investigate existing procedures and causes and take appropriate action where necessary.

Commissioner Kadish expressed concern for Airport legal liability when dealing with transportation organizations which do not have insurance.

Mr. Garibaldi explained that a basic requirement in all leases is that the insurance company must notify the Airport 45 days in advance of any cancellation of policy; that the Airport receives notices of this kind all the time from the insurance carriers.

Commissioner Goosby asked for clarification of the state PUC special permit extending to convenience and necessity; that under the present Commission policy anyone obtaining that would be granted terminal and parking space.



3. Oral Information (continued)

Mr. Turpen said that is correct subject to the conditions set forth under the rules and regulations and to the Commission policy; that if another 30 or 40 companies qualified, we would have to re-examine the existing policy.

Commissioner Goosby and Commissioner Fleishell each reviewed their understanding of Commission policy pertaining to limousine operators who have the necessary state PUC permit being granted Airport permits to pick up passengers and have Airport space for their operation.

Mr. Turpen said the Commission policy outlined the criteria under which the operator could make application for an Airport permit; that the Airport Director can refuse to issue a permit having good and sufficient cause but that refusal cannot be discriminatory; that if too many operators apply for permits and the Airport does not require that much service, then the Commission policy would have to be reviewed; that under the existing policy, permission cannot be refused.

Commissioner Goosby pointed out that such a situation would then become political; that existing companies did not win their right to operate by competitive bid; that this is not now a big issue but it might become one in the future.

Mr. Turpen said there has been no problem accommodating those persons having the required certificates.

F. Items Initiated by Commissioners:

Commissioner Kadish asked the Director to develop a policy for the Commission relative to some of the noise situations on the peninsula; that in the Minutes of the last round table meeting it commented that South San Francisco has approved an office building north of the Tanforan Shopping Center, and it is unclear whether that is in compliance with the ALUC study; that another development is going to take place in South San Francisco and it could cause some problems ultimately for the airport in relation to the noise issue unless this Commission makes it clear that if the people who are doing the building are aware that they are building right in the line of path of airplanes, then they can't come back to the airport to ask for some relief.

Commissioner Coblenz said there was no need for a policy on this; that the Airport can put them on notice; that the Commission should not get embroiled in it; that the Attorney and Director should handle it.

Commissioner Kadish said if there is some form of notification that protects the Airport from anything that may come up in the future, it does not have to be a policy statement.

Commissioner Fleishell asked that staff consider requiring written notices from Planning Commissions in our flight path of any application to build; the Airport could write a letter and have it made part of the record for any application granted.



G. Agenda Items Involving Major Policy or Operational Decisions:

The following resolutions were unanimously adopted:

5. Policy Statement for Relinquishing Leased Terminal Spaces

No. 82-0003

Resolution declaring  
Commission policy for  
relinquishing leased terminal  
spaces.

Mr. Turpen said that the airlines are looking for a way of lowering their costs; they are offering the airport certain leased space; that there is a great deal of terminal space that has no value to the airport unless it is accompanied by back office space and/or access to aircraft.

Commissioner Kadish asked if 'gate room' is the same as gate space and if that should be changed to 'gates'.

Mr. Turpen said that at SFIA when space is leased, the airline leases what is called a gate holding room; that when we talk about leasing a gate to the airline it includes access to the ramp.

Commissioner Fleishell asked if that is what we should get back and if this resolution covers it.

6. Terminal Area Rental Rate Schedule for Non-Airline Users.

No. 82-0004

Resolution adopting a new  
rate schedule for terminal  
area rentals to non-airline  
tenants.

\* \* \*

The following item was taken off calendar and put over to February 2, 1982:

7. Authorization to Receive Bids for Concession.

Request for approval of lease specifications for a North Terminal, West end, Entertainment Center/Game Room Concession, and authorization to receive bids for said concession.

\* \* \*

The following resolution was unanimously adopted:

2. Airports Commission Commendation to Airport Staff for Aviation Safety Institute Award.

No. 82-0005

Resolution expressing the Commission's appreciation and gratitude to Firefighters, Police Officers, Airfield Safety Officers and Administrative Staff for a level of performance worthy of the Aviation Safety Award.



2. Safety Award (continued)

Mr. Turpen presented Captain Richard A. Deeds of the Airline Pilot's Association who presented the Aviation Safety Institute award of excellence. Capt. Deeds said this is the fourth year that San Francisco International Airport has received this award of excellence from the Aviation Safety Institute, the only airport in the nation with this achievement. He referred to the recent accident at Washington National Airport, pointing out the need for good national safety planning.

\* \* \*

H. Consent Calendar of Routine Administrative Matters

The following resolution was taken off calendar and put over to February 2, 1982.

8. Resolution approving Assignment of Lease by ARCO to PSA, Inc.

Resolution approving assignment of lease of Plot 3E from ARCO to PSA, Inc. in implementation of sale of ARCO facilities to PSA.

The following resolutions were unanimously adopted:

9. Award of Contract - Professional Audit Services - Not to Exceed \$40,000.

No. 82-0006

Resolution approving award of contract for professional services to Morris, Davis & Company, Certified Public Accountants, for annual audit of Airport Concessionaires, tenants and contractors at a cost not to exceed \$40,000.

10. American Airlines - Approval of Renewal Option for Plot 7E.

No. 82-0007

Resolution agreeing to the renewal of American Airlines Inc.'s lease of Plot 7E at a rental rate of \$12,500 per acre per year for the period from June 1, 1981 through August 20, 1982, and a rental rate of \$17,500 per acre per year for the period from August 21, 1982 through August 20, 1987.

11. Parking Fee Schedule Clarification.

No. 82-0008

Resolution clarifying wording of Resolution 81-0311 regarding rate for long-term lot parking.



12. Approval of Modification No. 1 to Professional Services Agreement with Joseph Chow, A.I.A., Architect, Extension of Automatic Termination Date. No Change in Total Contracted Amount.

No. 82-0009

Resolution approving Modification No. 1 to Joseph Chow, A.I.A., Architect's Professional Services Agreement to extend the automatic termination date from December 31, 1981 to March 31, 1982.

13. Settlement of Litigation, \$5,600.

No. 82-0010

Resolution approving settlement of litigation of Gayle Rosenberry against City and County of San Francisco.

Commissioner Fleishell said that we have City Attorneys, staff counsel, etc. The draft should be forwarded to Allen, Toplis and Harding, Inc. He asked how many attorneys were needed to settle a \$5,000 case.

Mr. Garibaldi said they provide the defense and we pay the money.

Commissioner Kadish said there was a displacement of the expansion joint in the South Terminal and ask if that has been attended to.

14. Settlement of Litigation, \$7,000.

No. 82-0011

Resolution approving settlement of litigation of Eloisa Rodriguez against City and County of San Francisco.

15. Reimbursement of Host International for Moving Expenses Associated with the Modernization and Replacement Program in the Central Terminal, not to Exceed \$50,000.

No. 82-0012

Resolution authorizing the Director to execute an agreement with Host International regarding the responsibility for certain expenses associated with City work in the Central Terminal and authorizing a rental credit not to exceed \$50,000 to cover those expenses. Included in the rent credit are the costs of dismantling, packing, moving and storing the fixtures, furniture, art, artifacts, tableware and other operational supplies used in connection with the International Room restaurant. Move back of the above items after completion of the City's work in the area is also included in the budgeted amount.



16. Tenant Work, United Airlines Maintenance Operations Center, T-2603 - \$20,000.

No. 82-0013 Resolution approving installation of a 5KV Switch in Building 74. No rental credit.

17. Bid Call: Contract No. 1276, Steel Stairs & Grating, Central Plant Cooling Tower.

No. 82-0014 Resolution authorizing bid call. A facilities maintenance project.

18. Modification No. 1 and Completion of Contract No. 1247, Alterations to Maintenance Building.

No. 82-0015 Resolution accepting the work performed under Airport Contract No. 1247, Alterations to Maintenance Building, as satisfactorily completed; extending the completion date from June 27, 1981 to September 16, 1981; assessing liquidated damages of \$500.00; approves and requests the Controller's certification of credit Modification No. 1 of \$3,998.00; and approves final payment of \$13,438.20 in favor of the contractor, Valentine Corporation, 111 Pelican Way, San Rafael, CA 94902.

Original Contract Amount	\$137,944.00
Modification No. 1 (Credit)	(3,998.00)
Final Contract Amount	\$133,946.00
Original Contract Time	90 Calendar days
Contract Time as Modified	171 Calendar days
Effective Date of Contract	March 30, 1981
Original Completion Date	June 27, 1981
Modified Completion Date	September 16, 1981
Actual Completion Date	September 21, 1981

19. FAA Rental of Workshop and Storage Space in Building A69 on Plot 42A.

No. 82-0016 Resolution approving FAA rental of workshop and storage space in Building A69 on Plot 42A. The workshop and storage space provides direct and immediate repair and replacement service for its navigational aids at SFIA.

\* \* \*



H. Trailing Calendar

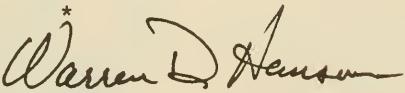
There was no discussion of items on the Trailing Calendar.

\* \* \*

I. Adjournment of Meeting:

There being no further calendared business before the Commission, the public meeting was adjourned at 2:45 p.m. to go into Closed Session.

\* \* \*



Warren D. Hanson  
Acting Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Wednesday, January 20, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



MINUTES  
OF THE  
AIRPORTS COMMISSION MEETING

Wednesday, January 20, 1982

A. Call to Order:

The informational meeting of the Airports Commission was called to order in the Conference Room, Airport Administration Building, San Francisco International Airport, San Francisco, CA , at 9:30 a.m.

\* \* \*

B. Roll Call:

Present: Commissioner Ruth S. Kadish

Absent: Commissioners Morris Bernstein, William K. Coblenz, Z.L. Goosby, J. Edward Fleishell.

\* \* \*

C. Director's Report:

Louis A. Turpen, Director of Airports, said this presentation was to advise the Commission of revisions to the proposed 1982-83 budget as previously submitted on December 23, 1981.

J. Peter Singer, Deputy Director for Business and Finance reviewed the summary of the proposed A.O. & M. costs and with the assistance of Susan Christofferson, Assistant Deputy Director, Business and Finance, gave a line by line explanation of the budget proposed for fiscal year 1982-1983 as revised by the Summary Proposed 1982-83 SFIA Expense Budget, dated January 18, 1982, a copy of which is attached to these Minutes and incorporated by reference.

General and detailed discussions of various facets of the proposed budget ensued with the following participating: James Chamberlin, Delta Airlines; Cheryl Davis, Budget Manager, SFIA; Patrick Gibbons, Assistant to the Director, and Ronald V. Wilson, Assistant Deputy Director, Landside Operations.

Commissioner Kadish responded to numerous questions posed by Mr. Chamberlin and was assisted with additional information and clarification provided by Mr. Turpen and his staff.

Mr. Chamberlin expressed appreciation to Commissioner Kadish and staff for the detailed responses to his questions, and said that his questions were posed primarily because he had lacked previous detailed information on the several matters.



C. Director's Report (continued)

Commissioner Kadish pointed out the value this meeting would have for staff in their preparation of documentation prior to presenting and justifying the budget to Her Honor the Mayor and the Board of Supervisors.

Ms. Christoffersen said a revised budget document, incorporating all revisions, would be prepared for the next Commission hearing on the budget.

Mr. Turpen said a Public Hearing would be held at a Special Airports Commission meeting scheduled for February 9, 1982, when the final budget would be presented to the Commission.

\* \* \*

D. Adjournment of Meeting:

There being no further business before the meeting, the informational meeting was adjourned at 12:15 p.m.

*Warren D. Hanson*

Warren D. Hanson  
Acting Secretary  
Airports Commission

Attachment:  
Summary  
Proposed 1982-83 Budget  
January 18, 1982



## REVISIONS

The proposed budget submitted to the Airports Commission on December 23, 1981 called for total expenditures of \$98,646,635. The budget summary prepared January 18, 1982 has a budget total of \$99,283,110. The major factors causing the \$636,475 increase are described below:

1. The Mayor's Budget Instructions allow departments to budget for only 5% in salary savings, rather than the 7% allowed in FY 81-82. This change in policy resulted in an increase of \$450,000 in personnel costs.
2. The new health benefit rate established by the Health Service System increases costs by \$81 per eligible employee; this increase is reflected in approximately \$69,000 in Fringe Benefits and \$6,000 in Services to Other Departments.
3. The Professional Services category has been increased by the addition of \$70,000 for a public relations firm.
4. New insurance premium estimates provided by the City's Insurance Risk Manager result in a \$67,500 decrease in Fixed Charges.
5. The Mayor's Budget Instructions require the Airport to budget \$14,112 for management training for senior staff, to be provided by the Civil Service Commission (Services of Other Departments).
6. The cost of Purchasing Services (Services of Other Departments) increased by \$16,733 as a result of estimated salary standardization and the City's estimate of overtime pay.
7. The Mayor's Budget Instructions have in past years allowed for personnel substitutions regardless of the direction of the salary change. For FY 82-83, in personnel substitutions where the salary of the proposed position is higher than the salary of the current position, the proposed position must be presented as a new position in the City budget. If the Airport's budget deleted the current positions and the "new" positions were not approved, the Airport could lose both positions. To avoid this possibility, upward substitutions are being double-budgeted. This double-budgeting increases the Operating Fund by approximately \$76,000.
8. A recalculation of the costs of cleaning North Terminal and the savings accrued by closing Central Terminal for eleven months resulted in a budget decrease of more than \$30,000.
9. The eight Traffic Control Officers are no longer being substituted for Airport Police. The salaries and fringe benefits associated with restoring the Police Officer positions increase the budget by approximately \$35,000.
10. The FY 81-82 figures have been revised to include the North Terminal Supplemental Appropriation, which because of Central Terminal closure results in a FY 81-82 budget decrease of approximately \$657,000.



**SUMMARY  
PROPOSED 1982-83 SFIA EXPENSE BUDGET**

1/18/82

	Total FY 1981-82*	Requested FY 1982-83	Difference Amount	%
I. PERSONNEL COSTS				
A. Salaries and Wages	\$ 16,904,908	\$ 20,252,909	\$ 3,348,001	20%
Overtime and Holiday Pay	991,569	1,121,131	129,562	13%
B. Fringe Benefits	<u>4,489,717</u>	<u>5,427,069</u>	<u>937,352</u>	<u>21%</u>
Total Personnel	<u>\$ 22,386,194</u>	<u>\$ 26,801,109</u>	<u>\$ 4,414,915</u>	<u>20%</u>
II. CONTRACTUAL SERVICES				
A. Professional Services	\$ 507,773	\$ 764,450	\$ 256,677	51%
B. Other Contractual Services	<u>\$ 5,187,513</u>	<u>\$ 6,785,099</u>	<u>\$ 1,597,586</u>	<u>31%</u>
III. UTILITIES	<u>\$ 5,695,286</u>	<u>\$ 7,549,549</u>	<u>\$ 1,854,263</u>	<u>33%</u>
IV. MATERIALS AND SUPPLIES	\$ 13,579,111	\$ 13,318,091	\$ (261,020)	(28%)
V. SERVICES OF OTHER DEPARTMENTS	\$ 2,198,354	\$ 2,831,517	\$ 633,163	29%
VI. FIXED CHARGES	\$ 5,035,074	\$ 6,228,328	\$ 1,193,254	24%
VII. PROGRAMMATIC EXPENDITURES	\$ 1,610,857	\$ 1,702,869	\$ 92,012	6%
VIII. FACILITIES MAINTENANCE	\$ 4,482,103	\$ 5,341,143	\$ 859,040	19%
IX. DOUBLE BUDGET CREDIT FOR DATA PROCESSING	\$ 992,300	\$ 1,285,000	\$ 292,700	29%
X DOUBLE BUDGET CREDIT FOR NORTH TERMINAL JANITORIAL CONTRACT	\$ 0	\$ (225,000)	\$ (225,000)	
TOTAL ADMINISTRATION, OPERATIONS AND MAINTENANCE (A.O.M.)	<u>\$ 55,979,279</u>	<u>\$ 62,928,606</u>	<u>\$ 6,949,327</u>	<u>12%</u>
XI. EQUIPMENT	\$ 622,043	\$ 658,709	\$ 36,666	6%
XII. DEBT SERVICE & EQUITY TRANSFER	\$ 28,214,815	\$ 33,060,795	\$ 4,845,980	17%
XIII. CAPITAL PROJECTS				
A. Capital Project Expenses	\$ 14,400,000	\$ 2,164,000	\$ (12,236,000)	
B. Projects Less than \$100,000	0	471,000	471,000	
TOTAL BUDGET	<u>\$ 99,216,137</u>	<u>\$ 99,283,110</u>	<u>\$ 66,973</u>	<u>.06%</u>

\* Includes North Terminal Supplemental Appropriation



A.O. & M. COST

	000's		
	1982-83 Proposed	Mayor's Guidelines	PM&M Projections
A.O. & M. (excluding electricity and gas)	\$ 50,264	\$	\$ 47,285
Total A.O. & M. (including electricity and gas)	\$ 62,929	\$ 66,578	\$ 61,630
Debt Service	\$ 27,061		\$ 27,060
Equity Transfer	\$ 6,000		\$ 6,000
Equipment	\$ 658		\$ 665
Unanticipated Capital Projects	\$ 2,164		\$ 2,164
Capital Projects Under \$100,000	\$ 471		\$ 0
Total Budget (000's)	\$ 99,283		\$ 97,519
Staff	1,000	907.5	
Enplaned Passengers	11,170		11,170
A.O. & M. Cost (excluding electricity and gas)	\$ 4.50	\$ 4.58	\$ 4.23
Per Enplaned Passenger			



Authorized Positions in 1981-82

Mid-Year Adds

Double-Budgeting for Upward Substitutions

New Positions

A. MID-YEAR ADDS		
Custodial	1	Assistant Supervisor
Custodial	5	Custodian Supervisor I
Custodial	69	Custodian
Custodial	3	Custodian
Dir. Office	.5	Senior Clerk Stenographer
Legal Counsel	2	Legal Assistant
Landside	1*	Curator I
Landside	1*	Curator II
Landside	1*	Curatorial Aide
	<u>83.5</u>	

\*Funded through Programmatic Expenditures

B. SUBSTITUTE POSITIONS

1. Operating Fund

Organization No.	Old Title	Amount
Custodial	1 Management Assistant	\$ 24,012
Steamfitting	1 Steamfitter	\$ 34,870
Electrical	1 Light Fixture Maintenance Worker	18,453
Dir. Office	1 Sr. Assoc. Budget Analyst	<u>37,662</u>
		<u>83.5</u>

Organization No.	Old Title	New Title	Amount
Custodial	1 Management Assistant	1 Sr. Account Clerk	\$ 17,330
Steamfitting	1 Steamfitter	1 Sheet Metal Worker	\$ 30,289
Electrical	1 Light Fixture Maintenance Worker	1 Clerk Typist	14,616
Dir. Office	1 Sr. Assoc. Budget Analyst	1 Princ. Admin. Analyst	<u>37,297</u>
			<u>83.5</u>
			\$ 99,532

Salary Difference in Operating Fund (\$15,465)



## 2. Project Funds

<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
Engineering	1	Asst. Civil Engineer	\$ 28,397
Engineering	1	Assoc. Electrical Engineer	\$ 33,539
Engineering			<u>\$ 61,936</u>

Salary difference in project funds is 0.

## C. UPWARD SUBSTITUTIONS (DOUBLE-BUDGETED)

## 1. Operating Fund

<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
Plan./Control	1	Clerk Typist	\$ 14,616
Dir. Office	1	Clerk Typist	\$ 14,616
Crash-Fire-Rescue	1	Clerk Stenographer	15,216
Com. Affairs	1	Public Service Asst.	<u>\$ 15,425</u>
			\$ 59,873

## 2. Project Funds

<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
Plan./Control	1	Sr. Clerk Typist	\$ 16,025
Dir. Office	1	Sr. Clerk Typist	\$ 16,025
Crash-Fire-Rescue	1	Sr. Clerk Stenographer	17,591
Landside	1	Sr. Clerk Stenographer	<u>\$ 17,591</u>
			\$ 67,232

<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
BTC	1	Architectural Assoc.I	\$ 28,945
Engineering	1	Materials Testing Technician	19,888
Engineering	1	Mechanical Engineering Associate I	24,011
Engineering	1	Surveyor's Field Asst.	<u>\$ 27,327</u>
			\$100,171
<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
BTC	1	Architect	\$ 34,026
Engineering	1	Assoc. Civil Engineer	\$ 33,539
Engineering	1	Jr. Mechanical Engineer	24,612
Engineering	1	Construction Inspector	<u>\$ 33,539</u>
			\$125,716

## D. NEW

<u>Organization</u>	<u>No.</u>	<u>Title</u>	<u>Amount</u>
Off. of Dep. Dir., Ops.	1	Asst. Dep. Director	\$ 46,067



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, February 9, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

**LOUIS A. TURPEN**

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page(s)
A.		Call to Order		3
B.		Roll Call		3
C.		Announcement by Secretary		3
D.		Adoption of Minutes		3
E.		Director's Reports		
	1.	Oral Presentation-Skycabs		4-6
	2.	Oral Presentation-Host Central Terminal Facilities		6-8
F.		Items Initiated by Commissioners		8
G.		Agenda Items Involving Major Policy or Operational Decisions		
	3.	Award of Contract No. 1277R, Pedestrian Overpasses for Central Terminal-\$178,146	82-0020	8
	4.	Award of Contract No. 1421, Addition to Fire Station No. 2 - \$73,111.	82-0021	9
	5.	Award of Contract No. 1504, Apron for Boarding Area "D". - \$5,225,156	82-0022	9-11
	6.	Approval of Budget for Professional Services Contract, O'Brien-Kreitzberg & Associates, Inc. Contract Amendment No. 3- \$565,000.	82-0023	12
	7.	Commendation of J.Peter Singer	82-0024	12
H.		Consent Calendar of Routine Administrative Matters.		
	8.	Completion of Professional Services Agreement, Pacific Environmental Laboratory-\$25,000.	82-0025	13
	9.	Resolution Approving Assignment of Lease by ARCO to PSA, Inc.	82-0026	13
I		Public Hearing		
	10.	General Aviation-Outdoor Aircraft Storage Rates and Charges		13



Summary and Index (continued)

11.	Proposed Budget, Fiscal Year 1982-83	14-17
J.	Trailing Calendar	17
K.	Adjournment of Meeting	17



MINUTES OF THE  
AIRPORTS COMMISSION MEETING

Tuesday, February 9, 1982

A. Call to Order

The regular meeting of the Airports Commission was called to order at 2:00 PM, in Room 282, City Hall, San Francisco, California.

\* \* \*

B. Roll Call

Present:

Commissioners Morris Bernstein, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.

Absent

William K. Coblenz

C. Announcement by Secretary:

In accordance with the Brown Act Section 54957.1, Jean Caramatti, Secretary to the Commissioner, announced the unanimous adoption of Resolution 82-0017 concurring in the appointment of Roy S. Samuels to the position of Deputy Director of Airports Operations and Maintenance, and Resolution 82-0018 concurring in the appointment of Ronald V. Wilson to the position of Director, Bureau of Community Affairs, in closed session on January 19, 1982.

D. Adoption of Minutes

The following resolution was adopted by order of the Commission President:

No.82-0019

Resolution adopting Minutes of the January 19 and January 20, Airports Commission meetings.



E. Director's Reports

1. Skycap Report

Draft resolution requiring Sky Caps to supply service to all passengers arriving and departing San Francisco International Airport, requiring they be in certain areas at certain times and at a distance of at least 15 feet from one another, and further restricting Sky Caps from the garage and remote parking lots.

Mr. Louis Turpen, Director of Airports, said this is a follow-up of a recent discussion; that since then the Commission has had an opportunity to meet with members of the steering committee and with counsel; that the provision of Sky Cab service is at the discretion of each airline; that the Airports Commission has the opportunity to set reasonable rules and regulations governing the conduct of persons using the airport.

Mr. Turpen listed 2 problems with Sky Cab service: grouping in front of terminals; lack of Sky Cab service at peak hours. The Airlines agreed to certain modifications of their operations which are noted in the draft resolution listed under Commission package #1.

Commissioner Kadish said that in other words the resolution as it appears in the packet is not appropriate at this moment.

Mr. Turpen suggested that the Commission might wish to discuss the resolution and return it or amend it as the Commission desires.



Commissioner Goosby asked if there was any discussion with the airlines concerning whether they had added personnel in the last 5 years up to the time deregulation was instituted.

Mr. Roy Samuels, Deputy Director for Operations and Maintenance, said that he approached Allied and requested their employment history but it was refused as being privileged information.

Commissioner Goosby said he understood there is a monthly fee of \$250. paid by Allied to the airport for some reason.

Mr. Samuels said that was under the old agreement. Under the new pending agreement that fee will not be applicable.

Commissioner Goosby asked if \$250. per month will no longer be collected.

Mr. Garibaldi, Airport General Counsel, said that is correct. The airlines under the proposed new Lease and Use Agreement, are free to contract for their services and supplies and can't be charged by the Airport.

Commissioner Goosby asked if the quotes the staff has provided are from our Use Agreement. Suppose the airlines cut back where there are only one or two skycaps, will that agreement obviate our ability to try to correct inadequate services? I do not see how any agreement we sign can outlive our responsibility.

Mr. Turpen said the Agreement provides that the airlines abide by any reasonable rules and regulations set by this Commission.

Commissioner Kadish said that she believes the issue is who controls what goes on in the airport and how we assure the kinds of services the Commission deems adequate and proper for the users of the airport. That does not necessarily mean the tenants, but the passengers. She said she would hope that by the time a resolution is brought before the Commission it will cover that particular matter in such a way that there is no need for clarification

Commissioner Goosby asked if the airport had the authority to hire a parallel system of Sky Cabs if the Commission found the current service inadequate.

Mr. Garibaldi said that it did, as long as it does not create any operational problems for the airlines.

Mr. Turpen said the airlines control the ticket stubs, baggage tags, and input into their baggage system etc. They would have to accept the concept of an airport provided Sky Cab service.

Commissioner Goosby asked if that could be done.

Mr. Turpen it was possible.



Commissioner Goosby said that if complaints are received indicating inadequate service the Commission should be able to do something about it.

2. Host Central Terminal Facilities.

Proposed Host facilities for the Central Terminal and Boarding Area D when the Terminal reopens in 1983.

Mr. Turpen said this is in relation to the closure of the Central Terminal and our anticipation of the opening of the terminal in 17 months; that he has a letter from Mr. Howard Varner, which he then read.

Commissioner Kadish asked him to address himself to the two paragraphs under Item 3 in the materials which the Commission received.

Mr. Turpen said that Host believed that to continue with the Omelet Parlour would not be a good investment, and is not economically viable; that Host has petitioned for the return of that space to the airport. The airport staff is not sure that is the best way to go. Mr. Turpen described the new international arrivals facility.

Commissioner Kadish, asked Mr. Spring to address himself to the apparent discrepancy in menu and services between the North Terminal and that contemplated for the Central Terminal and why there should be this discrepancy.

Mr. Varner said the matter of the facilities that are planned have been under prolonged discussion between Host and airport management for the past several months. He described the proposed facilities and menus. He said that there are only two areas in which there has been a lack of total agreement. First, the replacement of the Pub in the arrivals area. The staff has not been delinquent in trying to solve that problem; it is a very small area with a lot of requirements that must be accommodated. The second area was the Omelet Parlor. It was Host's original intention that the omelet parlor be retained and refurbished with an additional investment of \$75,000.

The airport staff said that level of remodeling was unacceptable by airport management. To totally demolish the facility and rebuild it would cost from \$500,000 to \$600,000.

That location, due to the new configuration of passenger flow through the terminal, does not make it an economically viable suggestion. For that reason it was negotiated and agreed upon between Host and airport management that the facility, because it probably would be marginal due to its remoteness from incoming traffic flow, should be relinquished by Host back to the City and rented to the airlines for additional office support activities.

Turpen said he was not aware of this and expressed concern. Host is concerned because unlike other Host facilities, which are being protected by the Commission during the remodeling, the omelet parlor is now in a delicate position because it has not been formally relinquished back to the City and is not protected from vandalism.



Commissioner Kadish asked what Mr. Varner meant by 'remote.' Mr. Varner said that he would have to defer to Mr. Lee for the exact numbers but he would guess about 300 feet.

Mr. Robert Lee, Deputy Director, said it would be more like 250 feet.

Commissioner Kadish was surprised that Mr. Varner would consider that distance remote.

Mr. Varner explained that once the passengers clear security, they don't go back to the area and it is for that reason they have proposed to have about 50 square feet to accommodate those people. He said this is not unique because they have already done this in other piers, and that he did not feel it would be a duplication.

Mr. Turpen pointed out on the drawings where the checkpoint would be located. He added that in some airports passengers are not permitted to return once they have cleared security.

Commissioner Goosby asked what would be installed at the other end of the Pier.

Mr. Turpen said there would be terrace-type seating with umbrellas, etc.

Commissioner Kadish commented that in other words Host would retain the striped area.

Mr. Varner said yes, but that is not what we occupied in the Central Terminal.

Commissioner Kadish said it is difficult to make decisions of this type in a Commission meeting when there has been no prior discussion of it.

(Commissioner Fleishell arrived at 2:40 PM)

Mr. Turpen interjected that his purpose was to generate the type of discussion being held now. It is an early look at what Host anticipates.

Commissioner Bernstein said there would be no definite proposal until all space has been assigned and that is still under consideration.



Commissioner Bernstein said the Commission would be able to make a decision as soon as they can get through some problems.

Commissioner Kadish suggested that precautions be taken with the omelet parlor until this has been resolved.

Commissioner Goosby said the Commission should be clear as to its goal, whether we want to have a coffee house or omelete parlor; he agreed there should be some type of facility for the waiting passengers.

Commissioner Fleishell reminded the Commission they were considering the possibility of a master concessionaire at the Terminal; that they should not commit themselves until a decision has been made as to what they plan to do.

\* \* \*

The Commission went into Closed Session at 2:45 PM.

\* \* \*

The meeting reconvened at 3:45 PM.

\* \* \*

F. Items Initiated by Commissioners.

There were no items initiated by Commissioners for this meeting.

\* \* \*

G. Agenda Items Involving Major Policy or Operational Decisions.  
The following resolutions were unanimously adopted:

3. Award of Contract No. 1277R, Pedestrian Overpasses for Central Terminal - \$178,146.00.

NO. 82-0020

Resolution awarding Contract 1277R Pedestrian Overpasses for Central Terminal to E.F. Owens Co., Felton, California. The purpose of this contract is to provide pedestrian overpasses to connect the inner and outer roadways in front of the Central Terminal.

Mr. Turpen said this contract is for bridges across the gap between the terminals so that we can retain the roadway for use of busses and for loading.

Commissioner Bernstein called Mr. Bob Ramsey who inquired about the procedures for selecting the responsible bidder.

Mr. Robert Lee said the apprenticeship program is part of the contract requirements; when a contract is awarded, a form is filled out notifying the contractor of the award; when he submits a proposal, he promises compliance.

Commissioner Fleishell cautioned that the Commission should hear from the California State Apprenticeship Board before placing it on the Calendar.

Mr. Lee said his experience has been that staff has never heard from the Cal State Board on oral contracts.



4. Award of Contract No. 1421, Addition to Fire Station No. 2 - \$73,111.00.

NO. 82-0021

Resolution awarding subject contract to E & R Metal, San Jose on Base Bid only. Eight bids received on January 20, 1982. High bid was \$96,625. Project budget \$65,000.

Mr. Turpen said this item was previously discussed; that the money comes from unanticipated funds.

Commissioner Kadish asked if there was an indication on the form the contractors sign that says they will indeed participate in the contract program.

Mr. Lee said that there is.

\* \* \*

The following resolution was taken under consideration and a substitute resolution adopted:

5. Award of Contract No. 1504, Apron For Boarding Area "D". \$5,225,156.00.

Resolution awarding subject contract to Branaugh Excavating, Inc. Human Rights Commission approved Branaugh's affirmative action program and ruled on protests by the 2nd and 3rd lowest bidders.

Mr. Turpen said this is a contract for Boarding Area D; that there seems to be some misunderstanding on the part of bidders; that it would be in the best interests of the Airport to rebid this contract. He recommended that staff reject all bids and rebid this contract.

Commissioner Goosby asked how long it would take to rebid. Mr. Lee replied it would take 5 days.

Commissioner Kadish said that is with the knowledge that eleven bids are out on the table for everyone to be aware of; that when there is a difference of \$40,000 between the low bidder and the 3rd bidder, (the 1st responsive bidder), on a \$5,000,000 job, to go through the procedure of rebidding and putting all the contractors through the rebidding process is placing a burden on the contractors, all of whom we want to woo to bid at the airport, and she questions that and would opt for going with the first responsive bidder.

Commissioner Fleishell said that if it is the desire of the Commission to accept the recommendation of the staff, then it should not hear all the speakers; that he had received a letter from bidders that the Commission favors local companies; that it is imperative that we go through all these motions to find a responsible bidder. Many contractors will not bid at the airport until we can convince the construction community that we are running a competent, honest organization.



Commissioner Kadish said that the Commission went through a restructuring of the bid process to simplify the matter but we seem to have a form which is not a simple form and in which there is difficulty for contractors to fulfill all the requirements; that if it is an airport form, it is their responsibility to see to it that it is clear; if it is an HRC form, then it is incumbent upon this Commission to let them know that their form should be simplified so that this situation does not arise again.

Commissioner Bernstein asked for a recommendation.

Mr. Turpen said his recommendation remains the same, that the contract be rebid.

NO.82-0022

A substitute resolution was moved and seconded rejecting all bids and authorizing the Director of Airports to rebid Airport Contract No. 1504R. The resolution was adopted, Commissioner Kadish voting no.

Commissioner Bernstein said it was not necessary to hear the speakers in view of the vote to reject all bids.

Commissioner Goosby said we can not allow people to submit bids and then add figures to the bids; no one is going to have confidence in the integrity of the Commission if it permits this to take place.

Mr. Gerald Johnson, Bay Area Black Businessmen's Group, asked for some clarification as to the ambiguity of the petition and the document.

Mr. Turpen said he could not comment specifically on the ambiguity.

Mr. Robert Lee asked Mr. Lim of HRC to explain.

Mr. Garibaldi said the issue with respect to the 1st and 2nd bidders is that their bids were non-responsive; that the non-responsiveness refers to the Affirmative Action commitment in those two bids; that possibly the inability to commit to the affirmative action program was the result of confusion as to the use of the form. But the fact is that the bids as submitted are non-responsive. The options were to accept No. 3 or reject all bids. Staff recommendation is to reject all bids. We will be happy to sit down and discuss it with these people.



Mr. Stanley Lim, of Human Rights Commission, said that they have established guidelines which they follow; that there is no confusion about this; that it is an injustice to use HRC as the scapegoat; that HRC would make the same determination if they had to do it again.

Commissioner Bernstein asked Mr. Lim to sit down with Mr. Garibaldi and discuss this.

Commissioner Kadish requested that any documents revised as a result of the discussions be brought before the Commission; that when we discussed contract letting it was decided that if there were non responsive bidders, those bids would not come before the Commission; that this commission would deal only with responsive bidders, that this has not been followed in this instance; that the matter has to be firmly dealt with from this moment forward.

Mr. Johnson said there was nothing to substantiate anything, with regard to the bid, to say that there was some error, and I would recommend that the Commission reconsider the action taken.

Mr. Turpen felt that in view of all the discussion it was better not to review this at the Commission meeting.

Commissioner Bernstein said there should be a discussion, that all the issues and facts have not been presented.

Mr. Williams, Williams Security Service, said that the point is that this contractor met all specifications and that he saw no reason why this contract should be rejected.

Commissioner Bernstein said that the Commission must go by the staff recommendations, especially since there seems to be some confusion and disagreement.

Mr. Larry Dent, attorney for the low bidder, said that the specs are clear; that it is clear that the HRC, the affirmative action program, is totally regulated and that it has been fully complied with; that this related to one number and one document on which HRC clearly has the exclusive and final determination.

Mr. Turpen suggested that those people interested in attending the meeting leave their names so they can be contacted.

Mr. Milt Schwartz, of Piombo Corporation, said we are the third bidder; that we are the only responsive bidder and should be awarded the contract.

Mr. Garibaldi said, in reply to Mr. Schwartz's request for a copy of the recommendation memo from Attorney Woods, that he could not have a copy as it is confidential.

Mr. Turpen said the Airport staff is willing to meet with the persons who bid on this process; that it is our intention to rebid this project within 5 days.



\* \* \*

The following resolutions were unanimously adopted:

6. Approval of Budget for Professional Services Contract,  
O'Brien-Kreitzberg & Associates, Inc. Contract Amendment No. 3  
-- \$565,000.

NO. 82-0023

Resolution approving Budget of \$565,000 for 12-month period commencing March 15, 1982, for professional services contract between City and O'Brien-Kreitzberg & Associates, Inc. Consultant to continue to provide scheduling cost control, monitoring, inspection, and progress reporting services, and to provide personnel and equipment resources in the management of the Airport's Terminal Construction Program.

Mr. Turpen asked Mr. Yuen to explain.

Mr. Yuen said their contract expires every 12 months, that it will expire on March 15th, and we are asking the Commission to approve the budget of \$565.000. He explained the need for the budget increase;

Commissioner Kadish said it seems that to get inspection for 1/2 million dollars on \$65 million worth of work means that Jason has been dealing close to the line, and she commended him for doing this good work.

Mr. Yuen said we do have an objective that we do not run administrative costs over 15% of the total construction costs

Commissioner Bernstein questioned the amount of money involved.

7. Commendation of J. Peter Singer

NO. 82-0024

Resolution commending J. Peter Singer, Deputy Director of Airports, Business Administration, for his years of distinctive service; to extend to him kindest personal regards and to wish him the best of luck in his future endeavors.

Mr. Turpen said Mr. Singer has elected to pursue other interests and has tendered his resignation; he elaborated on the past services of Mr. Singer and requested the Commission acceptance of his resignation.

Mr. Paul Van Wert, Airport Airlines Affairs Committee, thanked Mr. Singer on behalf of the airlines.



Commissioner Bernstein wished Mr. Singer success in his new endeavors.

\* \* \*

H. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

8. Completion of Professional Services Agreement, Pacific Environmental Laboratory - \$25,000.

NO. 82-0025

Resolution accepting work performed by Pacific Environmental Laboratory for waste water analysis as satisfactorily completed and approving final payment.

9. Resolution Approving Assignment of Lease by ARCO to PSA, Inc.

NO. 82-0026

Resolution approving assignment of lease of Plot 3E from ARCO to PSA Inc. in implementation of sale of ARCO facilities to PSA.

\* \* \*

I. Public Hearing.

10. General Aviation - Outdoor Aircraft Storage Rates and Charges .

Resolution approving the rental increase for General Aviation -- Outdoor Aircraft Storage (Parking) Rates and Charges which have not been adjusted since 1962.

President Bernstein opened the public hearing.

Commissioner Fleishell said he had looked at the rates; and that he felt it is a giveaway of public funds.

Commissioner Kadish said we don't always necessarily have to go along with staff recommendation; that she wanted an explanation for the rationale behind that minimal fee; that the fact that there is no one here from the general aviation community shows that what we are talking about may be very appropriate.

Mr. Turpen said these rates were developed by talking to a number of airports; that we looked at San Jose and Oakland; that these rates are reflective of the rates generally charged within the system; that Oakland bases their rates on wing span size. Staff would be happy to provide additonal data to the Commission.

Commissioner Fleishell said Oakland is a general aviation airport ; that SFIA is not a general aviation airport; and that he thinks the rates should be consistent with our overall policy. He said he sees no reason to give them a break, that we are trying to maximize revenues at the airport.



Mr. Turpen said staff would be more than happy to take a look at it.

Commissioner Kadish requested that this be put over for two weeks.

President Bernstein asked if there was any public comment. There being none President Bernstein declared this public hearing closed.

11. Proposed Budget, Fiscal Year 1982-83.

President Bernstein declared the public hearing open.

Mr. Turpen said this year's budget total is approximately \$100,000,000; that it compares with the budget of last year of approximately \$85,000,000;

He said he thinks it is appropriate to take a look at the expense summary and talk about it; that this is a transition year for the airport in terms of its budget;

Mr. Van Wert said he knows the Commission has seen Dick Jamison's telegram, a copy of which he read and said a copy is filed for the record. He said that he did not think there is enough public awareness of just how bad the finance situation is in the airline community. He said he wished to caution the Commission about its reliance on generating funds in the fiscal year.

Mr. Baxter, of PSA, said that this is a transition year and difficult to make a detailed analysis of expense items, that we must limit our expenses and see what happens in '82.

Mr. Douglas Holmes of Continental airlines said that they have taken pay cuts, and gone to limited staffing and made other sacrifices and that they ask the airport to understand their plight and take a close second look at the budget.

Mr. Regan of TWA said he found it interesting that the airport now has 1,000 employees; and that number is inconsistent with the agreement made; that he is afraid we might lose the agreement because of the budget, and requested that the airport do what it could to get the figures down to \$85,000,000.

Mr. Chamberlain of Delta said he is concerned about the fact that the budget has grown \$15,000,000 higher than last year, and said the only way we can get costs down is to reduce people;

Commissioner Kadish said she would like to raise some questions regarding the budget and respond to some of the airline comments.



Commissioner Kadish said she had questions on the Peat, Marwick and Mitchell figures on which the revenues are projected and the reality of those; the lack of existing justification in the budget on the new positions (9). She said it seems there should be a justification which explains what these people will be doing, why they are necessary and their role within the organization. She said she is concerned that in this budget the goals and objectives of the airport are not related to the budget directly; that we spoke about this last year and this was done last year; that there are some other questions that have to be taken up in executive session because they relate to the memorandum of understanding. She said she thinks one of the things that is essential is that we must maintain the quality that we have at the airport at as minimal a cost as possible. She said there was a meeting in January at which the airlines were given the opportunity to meet with staff and the Commission to go over the initial budget and that she looked forward to that and to the specifics, of what they would recommend in order to cut the budget. She said that Mr. Chamberlain was the only representative of an airline who attended. She said the budget was cut down by \$70,000, and perhaps more could have been accomplished had the others been there. She commented that the 78 people that we are required to add to our budget because of the change in the janitorial contract is not something that this Commission can do anything about; that the President went before the Board of Supervisors and made a strong plea; that

she was not aware of any airline assisting the Commission in that plea. That the letter from Paul Van Wert, was not of the same tone as he spoke; that we are all aware of the fact that the airlines are in a very grave economic situation and that she believes it is essential that something be done within this budget to be responsive to that need. She did not think that the details of how that response is made is something that the Commission is technically competent to make any comments on; that Mr. Turpen, as director, knows how to respond to this and she would ask that you respond to this. She said when the country and a particular industry is in trouble, we have to respond and hope that there will be a reciprocal response when things are better.

Mr. Turpen said he has gone through the budget and it is difficult for him at this stage to make certain decisions of such a finite nature that impact the organization. He said the airline community has been genuine in their understanding of the direction that he has elected to take; that these things take time, but we don't have the time because the airlines are in a difficult position. He said that he would be prepared to recommend to the Commission that we utilize a portion of the surplus that we presently have to the extent that we would maintain the airlines commitment to the airport at 1981-82 levels, i.e. approximately \$40 million, alleviate \$4,000,000 of the burden from the airlines, and would buy him the time to make what he considers to be the appropriate analysis of the organization and take positive steps.

Commissioner Fleishell said in regard to the comment about trying to match revenues with expenditures, that we set a rate based on a lot of gueses of what the fee ought to be; he asked why the Commission can't set a range, so that we would have month to month control over the revenues.

Mr. Turpen said staff would look at it.

Mr. John Regan said that is not the agreement they made.



Mr. Turpen suggested that we take a look at some of the revenue and he asked the Commission to make certain adjustments to the budget since that money is not in the budget.

Commissioner Kadish said she could understand there would be adjustments but she would like to address the larger solution that was spoken of on the \$4 million adjustment of the surplus and if the rest of the Commission is in agreement we could have that as an addendum to adopting this budget recognizing that there could be other changes.

Mr. Turpen said this was a problem we had last year. We prepared a final budget and brought it to the Commission and it was changed. He said this year we elected to come with a simpler format and put together the bound format after the Commission takes its action.

Commissioner Kadish said she wanted the justifications, the explanations and the clarifications and the tie-ins with the goals and objectives

Mr. Turpen agreed that should appear in the final document.

Commissioner Fleishell said the remission of \$4-million from the surplus into the operating fund has zero effect on the budget; that he is not sure how we address the line by line items of the budget; that he cannot tell staff that they are not entitled to something if they are.

Commissioner Fleishell said that last year we had a meeting with the Mayor's staff and she did not cut our budget in any way. They had faith that we would put together a bare bones budget. I'm not sure just where we are with this budget but if its your judgement that its the best we can do then its the best we can do. I have faith in you, Mr. Turpen, that you will run this as a bare bones operations.

Commissioner Bernstein questioned the additional costs in the garage contract and asked for further explanation.

Mr. Turpen said it is approximately \$464,000 in payroll and payroll overhead.

Commissioner Bernstein asked if that was for additional people or increased salaries.

Mr. Turpen said it is both. He explained where the increases were.

Commissioner Fleishell said the garage was a good example. The facility is open 24 hours a day. The line traffic has been established, there is nothing new about it, and suddenly you have \$800,000 more.

Mr. Turpen called on Sheldon Fein for an explanation.

Mr. Sheldon Fein said they did some studies over things going on and the traffic coming off the freeway was down by 5%; the traffic through the terminal area was down by 17%; this meant that because the construction in the garage is completed, more people are driving into the garage than to Central and other facilities; he said they are now getting parkers who used the off-airport facilities.

Commissioner Bernstein asked how many people are working in the garage and if we employed anyone in the garage parking cars.

He was told there are about 12 people, that we are proposing to open additional exits in the garage.



Mr. Turpen said the garage was designed to operate at capacity; that what is needed is a down ramp and check-out station at the bottom of all those ramps.

Commissioner Bernstein asked when staff had to turn in the budget.

Mr. Turpen said it must be in the Controller's office by March 1st; that the Commission could take this up again next Tuesday.

Commissioner Kadish asked how the document next week would differ from what it is now.

Mr. Turpen said he can cut the budget, that because the money is in the budget does not mean the staff is going to spend that money.

Commissioner Kadish said her concern is that it comes at the last day; that we should have ironed all these things out before but unfortunately were not able to do it.

Commissioner Fleishell suggested the item be put over until next week.

Mr. Turpen asked for some direction from the Commission as to what is expected.

Commissioner Bernstein said it certainly should not cost any more to run this airport this year than last.

There being no further public comment President Bernstein declared the public hearing closed.

\* \* \*

#### I. Trailing Calendar

There was no discussion of items on the Trailing Calendar.

\* \* \*

#### J. Adjournment of Meeting.

There being no further business before the Commission, the meeting adjourned at 5:30 PM.



Jean Caramatti  
Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, February 16, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTS  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page (s)
A.		Call to Order		1
B.		Roll Call		1
C.		Director's Reports		
D.	1.	Peat Marwick and Mitchell Report Agenda Items Involving Major Policy or Operational Decisions		3-5
	2.	1982-1983 Airports Commission Budget	82-0028	5-9
E.		Special Item Discussion of Contract No. 1504, Apron for Boarding Area "D".		1-3
F.		Trailing Calendar		9
G.		Closed Session		1
H.		Adjournment of Meeting		9

Minutes, February 16, 1982.



MINUTES  
OF THE  
AIRPORTS COMMISSION MEETING

Tuesday, February 16, 1982

A. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 PM, in Room 282, City Hall, San Francisco, California.

B. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblenz, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishhell.
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Absent:	None
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G. Closed Session:

The Commission went into closed session at 2:01 P.M., immediately after roll call

\* \* \* \* \*

The meeting reconvened at 2:25 PM.

E. Special Item:	Discussion of Contract No. 1504, Apron for Boarding Area "D", \$5,225,156.
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Commissioner Bernstein called Mr. Williams, Williams Security Patrol Service, to speak.

Mr. Williams said he appreciated the opportunity to speak and requested Commissioner consideration of the awarding of this contract.

Mr. McInerny attorney for Piombo Construction Co., said the issue is whether or not the bids received by the Commission were responsive, that if the Commission compared Branaugh's bid with the specifications it would show that Branaugh's bid was unresponsive; that Piombo is the only responsive bidder.

Mr. Branaugh said he had 5 copies of documents to which the Commission could refer while he spoke. He pointed out various incidents which he felt proved his firm was the responsive bidder; that his company had complied with the forms as requested; and he asked the Commission to reconsider.



Mr. Dent, attorney for Branaugh Excavation Inc., said that the HRC has satisfied and responded to all the protests and assertions that have been made since December with regard to the MBE and whether or not Branaugh met the 18% requirement; that the issue has been narrowed down to the sole point of whether attachment I requires that the blank be filled in at 18%.

Contract 1504 states in the specifications (refers to pg. 3139) that the determination of whether a bidder meets the requirements shall be made by the director of the HRC prior to the award of the contract. The directors decision shall be final. The HRC has made a determination that Attachment I does not require that the blank be filled in at 18%.

Contractors are no longer required, as part of a bid, to agree to meet a goal; that new Federal regulations require that a contractor indicate what his minority participation is going to be and use his best efforts to meet the goal.

Mr. Johnson of the Black Businessman's Association said that the protest against awarding the contract to Branaugh is based on a letter dated January 29, 1982 by Mr. Michael Machelli, attorney for Brutoco; that the protest is invalid and listed his reasons why.

Mr. Stanley Lim of HRC said he was available to answer any questions regarding compliance procedure.

Commissioner Goosby asked if there was any ambiguity in the documents; what is the difference in putting 16%, 18% or leaving it blank?

Mr Lim stated that the form requires the contractor to make a commitment but does not require them to indicate the exact percentage goal. It is based on the concept of a goal and not a quota. If it is substantially in compliance with the basic goals the exact percentage or dollar amount need not be required. If the contractor indicates zero or leaves it blank it could raise some serious questions as to the intentions of the Contractor, and, if the Contractor makes no effort to list MBE's or to secure them within the time frame required by the program, then the bid is not responsive.

Commissioner Goosby asked if the wording should be changed.

Mr. Lim said that he worked with the City Attorney's office and came up with some new language and incorporated it into the job specifications but it really did not effect the meaning of the paragraph.

Commissioner Coblenz asked if the HRC used the City Attorney's office in the same way that the Airports Commission does.

Mr. Lim replied that they did.

Commissioner Fleishell asked if you don't want a specific percentage or dollar amount in the contract why do you spend the paper to put precisely the percentage and the dollar amount under your instructions?

Mr. Lim said that they require an indication of the commitment of the dollar amount or percentage but the exact dollar amount or percentage is not required.

Commissioner Goosby said that should be spelled out in future documents.

Mr. Lim said that the additional 5 days is to identify the MBE's, but the basic compliance should be met at the time of the bid opening.

Commissioner Kadish said that in other words, the basic compliance is determined when the bid documents are opened but the identification of the MBE's is made within the succeeding 5 days.



Mr. Lim said that was correct but the important thing to know is that the attachment I form gives to HRC some discretion in enforcing the MBE requirements.

Commissioner Kadish said but you do not negotiate during those 5 days, it is merely for identification.

Mr. Lim said we do not negotiate with anyone.

Mr. Johnson disagreed and said there is an element of negotiation carried on after the 5-day period.

Commissioner Kadish asked why is there this disparity between the statements?

Mr. Lim said he thought that she meant a negotiation with the bidders to have it rebid; that they encourage the bidder to use the MBE's whenever possible; that other MBE's are not included after the 5-day deadline.

Commissioner Bernstein said the Commission, at its last meeting, voted to dismiss all bids. He asked if there was a motion for reconsideration. There were no motions. Commissioner Bernstein said the decision of the last meeting will stand and all bids have been thrown out and the contract will be rebid.

Mr. Turpen said if the time frame is constraining for anyone because of the holiday period, contact Mr. Lee and we will try to give you enough time to take another look at 1504R on a rebid.

Commissioner Fleishell suggested that the Commission and staff take the obligation to contact all people who bid before rather than have them call us.

Commissioner Kadish agreed saying that because of the long weekend and the question of whether there would be a change in the vote puts it in a very tenuous position.

#### C. Director's Reports:

##### 1. Peat, Marwick and Mitchell Report.

Mr. Turpen said the Airports Commission is in receipt of the January 1980 report; and that the representatives are present should the Commission have any questions.

Commissioner Coblenz said if we are going to do anything we should do it quickly; that we should get the bid documents fairly soon so that we can put it out to bid this summer; secondly, if we are going to strictly follow HRC and small business we will have almost 30% of the enterprises there in small businesses; that is too much and it is not economically feasible for that area.

Commissioner Goosby said he agreed with Coblenz; that he also calls attention to the fact that the Commission voted to elect a single concessionaire arrangement and then we agreed that we would vote to proceed and hire Peat, Marwick and Mitchell to find out if this was feasible and give us the pros and cons.



Mr. Turpen said that he was not present at that meeting, but it was his understanding that the Commission wished to examine the principle concessionaire approach.

Commissioner Kadish said she has read the whole report and noted the same things the other Commissioners noted, and urged that there be action in some form to insure that concessions will be open at the time the International Terminal opens; that there are a variety of implications in this report that require a reaction not only from the Commission but from the architects involved and from people in the Terminal Construction Division; if the suggestions were to be implemented it would affect the physical structure of that Terminal and plans would have to be adjusted based on any decisions that this Commission came to. It is important that they give their feelings and input to us; that the report speaks as if it were fait accompli. Though they are making recommendations, the questions is how we set up a procedure whereby their can be adequate discussion of whether the principle approach is correct and the details are analyzed. It is not only a matter of one accepting a single approach but of the way we feel about the sub topics included in this.

Commissioner Bernstein disagreed. He did not remember the Commission agreeing to a single concession. He would have disagreed then and he disagrees vehemently now. Generally speaking there are two (2) profits: the landlord and the operator; that when you have someone in between you have a third profit; and that can't be done, especially nowadays. He said we have to retain control which we won't be able to do with a single operator. He disagrees with many points in the Peat, Marwick, Mitchell Report and he would like to do a report in opposition.

Mr. Turpen said if the Commission elects to pursue the concept of how much space will be dedicated to concession development in the Central Terminal, it is important that the Commission knows that the International airline community has initially committed to pick up that space for the time we would not need it; that we would be receiving revenue on that space. The other concern is one of timing; that we are on schedule with the Central Terminal as of last week; that we expect it to open in June of '83 and we need to move quickly on whatever alternative we select in order to meet those opening dates; that we must make a decision no later than the second meeting in March and preferably by the first meeting.

Commissioner Bernstein said when we were discussing small businesses I protested at that time; that the principal concessionaire approach is a new one and not fully tested and he said he would like to see where the Commission had passed a single concessionaire arrangement.

Mr. Turpen said there is only one concern to staff and that is providing concession services to the Central Terminal in time for the opening. It takes in excess of 300 days for some type of in-house effort to put a concession on line; that we are not equipped to handle that type of effort in-house and some other type of effort must be pursued.

Commissioner Bernstein said that he is not prepared to accept that as the reason for not doing it.

Commissioner Goosby said that in 2-1/2 years we have not completely staffed the North Terminal; that at the rate we're going we won't have half the slots for the Central Terminal by the summer of next year; that unless we proceed in some general way along these guidelines, we are going to be strapped come next year and unable to meet the deadlines.



Commissioner Kadish asked that prior to the next discussion that the Commission have some information from the attorneys as to the legal aspect so that they don't go off on something that might be illegal.

Commissioner Fleishell said he was disappointed in the report and that they did not consult the architects to learn what the economic consequences would be of suddenly changing direction; that the report did not address the staff savings that could be accomplished. That the report came to the conclusion that we should not allow the most competent bidders in the area to bid on the master concessionaire if they are allowed to bid on the duty free shop. We would be excluding the major companies and the few people who have the economic capability of bidding. The space limitation problem has to be addressed. He wants to know what the staff conclusions are and how they feel we should move ahead; He had hoped to see some breakdown of how they set their profit structure.

Commissioner Coblenz said he has deep reservations of our in-house capacity to handle this; that we should put this on a special order of business and get input from staff and Peat, Marwick. We've got to come to a conclusion fairly soon

Commissioner Goosby said he agrees with Commissioner Coblenz. He reminded the Commission that these are recommendations to see if this is economically feasible; that he is sure PMM did not intend for the airport to accept all of their recommendations.

Commissioner Coblenz moved that the matter be put over to March 2nd.

The vote was as follows: Bernstein, no; Kadish, no; Coblenz, aye; Goosby, aye, Fleishell, aye.

\* \* \* \* \*

#### D. Agenda Items Involving Major Policy or Operational Decisions

The following item was unanimously adopted.

##### 2. 1982-1983 Airports Commission Budget

82-0028

Resolution adopting as amended the Airports Commission 1982-1983 budget.

Mr. Turpen said he sent a letter to the Commission dated February 11th in which he itemized budget cuts as a result of the meeting of February 9.

Mrs. Kadish asked if that is an operational item; that in September we agreed to a professional services contract with the Cerand Corporation; that they were supposed to give us a report within three months, and requested if there could be a report in April as to the results of that contract.

Mr. Turpen agreed.

Mr. Turpen said that the budget for 1982-83 that was brought before the Commission on February 9 was approximately \$100 million.

Although the budget is virtually the same as last years there is a distinct difference. The difference is that \$14 million in



revenues that was taken from surpluses in 1981-82 will not be taken from surpluses in 1982-83. Those revenues will be made up in the following way: \$4 million from the airline community; \$2 million from concessions; \$4 million from parking increases and \$4 million from interest incomes.

In view of the airlines present economic state the Commission asked the staff to reduce the budget to an absolute minimum; that staff reduced the budget by \$2 million which puts the airports budget \$1.7 million below last year's budget in a year where we're looking at 10% inflation; that this is a significant reduction in terms of maintaining service delivery. He said that he would like the Commission to consider it.

Commissioner Kadish said she would like to respond on page 5 to two items that Mr. Turpen recommends be cut-one is the travel, with a comment on the possibility of its being re-included, and the other is training. Both of those are more or less token items and are not significant in the budget. That she thinks staff should have contact with other airport personnel so they can learn from other airports; that she thinks it is important to maintain keeping up with change of others.

Commissioners Coblentz and Kadish moved and seconded a motion to retain the item. The vote was unanimous.

Mr. Turpen listed the larger items that were cut from the budget.

Valet parking lost approximately \$49,191 in 1981 and will lose an anticipated \$53,000 in 1982. If valet parking is excluded there will be an additional reduction of \$345,000 in our expense budget.

Commission Bernstein asked how he arrived at a loss of \$53,000.

Mr. Fein said that the anticipated revenue is \$292,000 and the anticipated expense is \$345,000 for a loss of \$53,000.

Mr. Fein said last years actual accounting expenses that went to the budget for the people, rental of shuttle vans and all costs related to operations totalled \$337,000.

Commissioner Bernstein asked for a breakdown.of actual costs.

Commissioner Coblentz said that we have consistently lost money on valet and all of us have fought against it as a money-losing proposition.

Commissioner Bernstein asked why we couldn't eliminate the buses instead.

Commissioner Coblentz replied that the buses bring people into the garage; that it is a very needed service for the garage.

Commissioner Bernstein asked if we could place a 10¢ fee on the buses.

Commissioner Fleishell said that we are losing \$2,400,000 a year to get people to use the garage; that if they would turn it around the city would not only lose its expense it would gain 15% of the revenue under the settlement with the airlines.

Commissioner Bernstein asked how many passengers used the economy buses last year.

Mr. Fein said about 3 million passengers, and with the closure of the Central Terminal we have a much larger number.

Commissioner Coblentz said that most airports charge something to use the buses and suggested that the airport look into the question of charging a surcharge.



Commissioner Fleishell said the Commission asked the staff to do an analysis 5 months ago and they concluded that most airports don't charge and offered reasons why we shouldn't charge.

Mr. Fein said the staff did a study and found that there were problems with passengers getting on buses with luggage and fumbling for exact change causing delays; that those costs were put into the revised parking rates.

Mr. Turpen said we had an increase in the use of the garage by 65% due to completion of the garage; Our roadway circulating traffic has gone down because the garage has been resigned. We have increased the use of our long term lot.

Commissioner Kadish asked if these are real figures.

Mr. Fein said these are the actual figures from the garage in January--the first month with the new rates.

Commissioner Kadish asked, in relation to what was said about the other cut, if it was undercover surveillance in the garage and was told it was not just for the garage but for the whole airport; Commissioner Kadish asked how that would impact the garage and was told by Mr. Turpen that we could manage.

Commissioner Kadish said we don't want to get back to what the situation was last January and requested that they add that \$10,000 to the previous motion.

Mr. Turpen said that the bottom line is a cut of \$2 million. In that \$2 million was the assumption that valet would not continue. If it does continue the cut would be \$1.7 million.

Commissioner Kadish suggested that there be a monthly monitoring of the revenue on the garage to see whether the increase will be sufficient to offset the possibility of needing to put a charge on the shuttle bus and staff should be charged with looking at it constantly in order to determine whether there should be a charge.

The following item was moved and seconded by Commissioners Coblenz and Kadish and adopted with Commissioner Bernstein casting the dissenting vote.

82-0027

Resolution calling for discontinuance of valet service at the San Francisco International Airports garage.

Commissioner Fleishell said that Commissioner Kadish brought up the contract (Cerand) and he asked how staff can plan a budget when it has had no response from its consultant.

Mr. Emmett Smith, Acting Deputy Director for Business and Finance, said the Cerand Report is due March 2, 90 days after the effective date of this contract. The equipment that he will recommend, if purchased, will not arrive until close to the end of the year in which we are now considering the budget so that the salaries of the people in the budget will not have any impact on that.

Commissioner Fleishell said he was not talking about salaries but specific acquisition of equipment and cited cash registers as an example.

Mr. Smith said that new cash registers are an interim item and we could not wait for the recommendation and put them into effect 1-1/2 years from now; that the existing cash registers are in such bad shape they want to secure cash registers to carry through until recommendations are received.



Commissioner Fleishell asked why we paid \$75,000 to the bond trustee.

Susan Christopherson replied that there is a certain amount set aside for the trustee every year; that it has not changed since she has been at the airport but she will look into it.

Commissioner Coblenz asked if the trustee (Bank of America) could be changed. The response was that it was a legal question and it would be looked into.

Commissioner Fleishell wanted to know why Community Affairs jumped from \$75,000 to \$182,000.

Mr. Turpen said that between 1980 and 1982 the total expenditure on exhibitions at the Airport were approximately \$300,000 or \$150,000 a year; that the inflationary factor brought it up to \$175,000. Any cuts would significantly impact the program.

Commissioner Kadish said that in the 1980 budget, at the Mayor's request, at Harvey Rose's recommendation and the Board of Supervisors approval, in order to help bail out the Fine Arts Museums, (it did not initiate with the Airport) \$240,000 was put in as a programmatic expenditure. The next year the staff requested an increase over that \$240,000 to some \$282,000, and the Commission asked how much was left over from that \$240,000 and cut it back to \$75,000. That's why you have the \$75,000 budgeted item. In actuality you have to look at the two years together 80-82, and there was \$315,000 budgeted for this, and, divided by two you have an expenditure, not a budgeted item, of \$157,500 for each item. I recommended to Mr. Turpen last week that this explanation be put in the budget. I had requested it of Mr. Singer some weeks ago so that it would be clear to the Commission when it saw it that it not be put in for \$182,500 but rather that 10% be added to that \$157,500 of the previous two years which would take it to \$173,250. If the Commission wants to leave it at \$157,500 that is up to their judgment.

The second item is that on January 20 their was a special budget meeting that was held at the Airport for the Commission and the airlines with the staff. At the time, Jim Chamberlain of Delta raised the question as to why there was \$70,000 in the budget for public relations and why there was \$100,000 added for this Community Affairs art exhibition program. I explained to him that the best coverage that this Airport has gotten, has come from the exhibition program. Why don't I suggest to staff that they eliminate the \$70,000 and what we get instead is the exhibition program. His comment was that's a fair deal because the exhibition program is marvelous. Regarding your comment relative to the Mayor, let me read to you from a letter the Mayor sent to the Airport in response to a letter she received from a visitor at the Airport. Commissioner Kadish read the letter which credited the Airports Commission for its work and the art exhibits. Commissioner Kadish then showed the Commission a number of letters she received, and public relations coverage, all favorable, that this Airport has received from this program.

Commissioner Fleishell said that no one was debating the quality of the program. He questioned the increased costs and added personnel.

Commissioner Kadish replied that in the program there is listed a curatorial aide, a curator I position and another curator position. We have approximately seven exhibitions going on constantly at the Airport. Those three curatorial people were part of the bail-out for the Fine Arts Museums. Their total salaries equal, per year, coming out of those programmatic funds, approximately \$45,000 (one makes \$12,000, one makes \$14,000 and one makes \$19,000). They take down, the exhibits, install them, they do the research on them, they build the boxes for the exhibits, they provide all the documents for insurance,



they machine the security flanges for the boxes so that the material that is borrowed for these shows will not be ripped off. They spent last Friday and nights the previous week in some instances installing the carousel animals, which is an exhibit that is up in conjunction with Recreation and Park. This is the first time that the Airport has done anything to bring itself into the City and out of just San Mateo County. Now if we get that for \$150,000 to \$175,000 I think, once again, we're talking pennies.

Commissioner Fleishell said that they have all critized staff for not informing the Commission about what's going on; that he suddenly finds out that there are three extra assistants. Also, that when we hired the curator we were told that the grants would more than pay the salary.

Commissioner Kadish said that we cannot get, as a City agency, monetary grants. That is why Rec and Park has set up friends of Rec Park, that is why there is the funds of the Zoological Society, that is why there are auxiliaries and funds of the Fine Arts Museums and other agencies of the City. I have here a copy of my response to Mr. Turpen's memo regarding whether or not we could get donations. Let's assume that via this program, and not cutting it back in a fashion that would make it non-functional, and which the airlines approve of, we will develop a good solid core of friends of San Francisco Airport.

Commissioner Fleishell said that the City Attorney's office does not think we need a friends of organization to receive grants. The City itself is a non-profit corporation by law. It can accept grants, the only limitation being approval of the Board of Supervisors.

Commissioner Kadish commended the staff for its work on the budget.

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#### F. Trailing Calendar

There was no discussion of items on the Trailing Calendar.

\* \* \*

#### H. Adjournment of Meeting.

There being no further business before the Commission, the meeting adjourned at 4:35 P.M.

*Jean Caramatti*  
Jean Caramatti  
Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, March 2, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

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**SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING**

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Adoption of Minutes		1
D.		Director's Reports		3
1.		Central Terminal Concession Program		3-4
E.		Items Initiated by Commissioners		
		Resolution authorizing the purchase of a Robert Hudson Painting, "A Horse of Another Color", at a total cost not to exceed \$30,000 (including installation and delivery), for installation in the North Terminal at San Francisco Airport.	82-0047	9
F.		Agenda Items Involving Major Policies or Operational Decisions.		
2.		General Aviation - Outdoor Aircraft Storage Rates and Charges	82-0030	4
3.		Award of Contract No. 1504R, Apron for Boarding Area D - \$4,685,319.00	82-0031	4-5
4.		\$450,000 Supplemental Appropriation for Bond Consultants.	82-0032	5
5.		Selection of Bond Counsel		5
6.		Selection of Feasibility Consultant		5
7.		Approval of Salomon Brothers Contract		5
8.		Selection of Auditor for Bond Issue		5-6
9.		Schematic Design Approval - Dobbs' South Terminal Newsstand	82-0033	6
10.		Approval of Design for California Products Shop	82-0034	6
11.		Memorial Resolution	82-0035	6
12.		Resolution of Appreciation	82-0036	6



G.	Consent Calendar of Routine Administrative Matters		
13.	Authorization for attendance at a Management of Emergency Medical Services Programs Class in March of Firefighter, Antonio G. Correa	82-0037	6
14.	Award of Contract No. 1276, Steel Stairs and Grating, Central Plant Cooling Tower, \$38,857.	82-0038	6-7
15.	Bid Call-Contract No. 1226, Con- struction of Detention Pond, Industrial Waste Treatment System	82-0039	7
16.	Bid Call - Contract 1318-A, Parking Lot Improvement at Airport Public Service Building	82-0040	7
17.	Modification No. 11 and Sub- stantial Completion of Airport Contract NO. 936-Industrial Waste Treatment Plant.	82-0041	7-8
18.	Settlement of Claims Not ex- ceeding \$2,500.	82-0042	8
19.	Delta Air Lines Rental Credit; North Terminal; \$6,300.	82-0043	8
G.	Airport Opposition to City of Millbrae's Proposed Hotel Construction.	82-0044	1
21	Resolution Consenting to Merger of Host International, Inc with Marriott Corporation.	82-0045	8
H.	Special Item:		
22	1982-83 Budget Increase for Electdricity and Gas	82-0046	8-9
I.	Trailing Calendar		
K.	Adjournment to go into Closed Session		



MINUTES  
OF THE  
AIRPORTS COMMISSION MEETING

Tuesday, March 2, 1982

A. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblenz, Z.L. Goosby, J. Edward Fleishell

Absent: Ruth S. Kadish

\* \* \*

C. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

NO. 82-0029

Resolution adopting Minutes of the February 9, 1982 Airports Commission Meeting.

\* \* \*

G. Consent Calendar of Routine Administrative matters.

The following resolution was unanimously adopted, as amended.

20. Airport Opposition to City of Millbrae's Proposed Hotel Construction.

NO. 82-0044

Resolution expressing grave concern over the construction of the Plaza Bay International Hotel in Millbrae for reasons of intolerable noise, safety and security.

Mr. Louis A. Turpen, Director of Airports, asked Capt. Worten of Pan American to testify.

Capt. Worten said that in bad weather runway 19L is used; that take-off procedure is predicated on a left turn at 100 feet to avoid the obstacles and mountains (he points to map); that if the hotel is built he doubts that they could clear it, and, in the event of engine failure they would have nowhere to go.

Commissioner Goosby asked if the left turn was also made to avoid flying over the residential areas.

Capt. Worten replied that it was.



Commissioner Coblenz asked Capt. Worten if, in his opinion, there would be a danger not only to the passengers of the plane but to the residents of the hotel.

Capt. Worten replied, absolutely.

Commissioner Fleishell asked if this had been part of the EIR that was presented to the Millbrae Planning Dept.

Capt. Worten asked if Commissioner Fleishell was referring to the criteria the FAA uses to determine obstacle clearance. FAA regulations require that planes fly straight ahead to 400 feet before making any turns, but, in this case this can't be done due to the nature of the obstructions and the hills. The turn must be made right away.

Commissioner Fleishell asked if this same presentation was made to the Millbrae Planning Department.

Mr. Turpen replied that the Airline Pilots Association made a presentation similar to this one early in 1979.

Mr. Turpen stated the second factor is the noise issue; that any turn in that area would result in significant additional noise impact; that we have been working very diligently to reduce that noise impact.

Mr. Turpen read telegrams from the ATA which expressed concern over the proposed hotel construction, and from the Airline Pilots Association strongly objecting to the proposed construction of Burlingame Plaza.

Capt. Henry Hayes (retired) of Pan Am spoke on behalf of the Pilots Association. He was Area Safety Coordinator for 12 years. He said that in 1974 they dealt with construction at this very site.

The Association strongly objects to any high rise construction in this particular area. He reinforced what had already been said and added that heavy rain would add to the drag of the aircraft. Pointing to the map, he indicated the location of the Peninsula Hospital, saying that any delay in turning would bring the aircraft much closer to the hospital.

The town counsels of Millbrae and Burlingame have been relying on FAA expertise to determine whether or not the construction would be hazardous. Part 77 of FAA regulations do not contemplate that a turn would be made this soon, so to resort to FAA expertise in this obstacle clearance matter would result in a finding that this construction is not a hazard because their regulations do not cover it.

The Airline Pilots Association petitioned the FAA when a non-hazard determination was made in the fall of 1974. Mr. Dow, acting administrator, over-ruled the Western Region of the FAA which had determined that site to be non-hazardous. Capt. Hayes submitted Mr. Dow's letter to the Commission Secretary.

Commissioner Coblenz said that although we have endeavored to maintain good relations with the adjoining communities he is appalled at the callousness and indifference of the City administrators of those communities who have been unwilling to come here today at least to listen to some of the testimony; that the loss of life and damages to property that could occur will not only be the responsibility of that City but, the personal responsibility of the City administrators, that the media should be informed of these dangers; that counsel should take any appropriate legal action for the sake of public safety.

Commissioner Bernstein questioned if we had the right to take any legal action since the hotel would be on Millbrae property.

Commissioner Coblenz replied that if there is a danger to anyone or



damages occur we will be sued. He stated that he wants to show that we have clean hands in this; that we've been told of the dangers and we've informed the City of the dangers; that the responsibility will rest with them.

Commissioner Fleishshell said that he found it incomprehensible that the City would permit a building like this to be constructed when there is a remote chance of injury to anyone.

Mr. Turpen asked that the amended resolution be adopted.

Commissioner Coblenz reiterated that we should go to the media right away and bring this to the attention of the people of Millbrae.

\* \* \*

D. Director's Reports.

1. Central Terminal Concession Program

Analysis of alternative  
approaches in the bid, lease,  
installation and management  
of Central Terminal  
concessions.

Mr. Turpen said that the report deals with the development of retail concessions for the Central Terminal. It is incumbent upon me and staff to have concessions available when the Central Terminal opens.

There are three types of approaches available:

Principle concessionaire, in-house approach and management contract approach. The pros and cons of each approach were listed. Mr. Turpen suggested that the Commission consider, within the next week, the concept of pursuing a principle concessionaire in the Central Terminal and concurrently pursuing a charter amendment for a management contract for concession development in the future.

Commissioner Bernstein said that he felt a charter amendment would be most desirable at this time.

Mr. Turpen said that we could hire expertise with respect to retail activities but there would be no advantages in terms of time for the Central Terminal because that person would still have to go through the same process as we do. A management contract, tied to a charter change, would free that person.

Commissioner Bernstein questioned the number of days it would take to open various concessions.

Mr. Turpen replied that we do not have the flexibility or latitude that private industry does; that the time frame that has been indicated is reflective of the system through which we have to go.

Commissioner Coblenz also questioned the length of time proposed to open concessions. He then read through the schedule and suggested areas where the time frames could be shortened.

Commissioner Goosby felt that the principle concessionaire approach would offer us the expertise in knowing what types of concessions are the best and most efficiently run and which ones would give the greatest return to the City. The principle concessionaire also lends itself to small business, women and minority involvement.

Commissioner Coblenz felt that there was a general consensus that the newsstand, duty free and banking facilities be handled in-house. He asked for in-put, possibly from Peat Marwick, prior to the next meeting, and the amount of square feet to be allocated for those particular concessions so that we will know what will be left over for the general concessions.



Commissioner Bernstein asked Mr. Turpen to contact Altanta, as they utilized the principle concession approach, and find out what types of concessions they had.

Commissioner Goosby said the Commission could meet an extra day each month to help facilitate this and meet the deadline.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following resolutions were unanimously adopted.

2. General Aviation - Outdoor Aircraft Storage  
Rates and Charges

NO. 82-0030

Resolution approving schedule  
of Rates and Charges for  
General Aviation--Outdoor  
Aircraft Storage (parking)  
effective July 1, 1982

3. Award of Contract No. 1504R, Apron for Boarding  
Area D - \$4,685,319.00.

NO. 82-0031

Resolution awarding contract  
No. 1504R, Apron for Boarding  
Area D to Piombo Corporation,  
1601 Industrial Way, Belmont,  
CA 94002. The purpose of  
this contract is to provide  
aircraft parking aprons  
around Boarding Area D.

Bids Received February 17, 1982:

1.	Shepard Steel Contractors, Inc.	\$38,857
2.	Crown Iron Works	\$39,375
3.	Hodgson Construction Co.	\$39,990
4.	Herman A. Duysings	\$51,900
5.	Dalzell Corp	\$76,300
	Budget:	\$45,000

Mr. Branaugh, Branaugh Excavating questioned the bid process for 1504R, specifically, the short amount of time 1504R was advertised; that the bid packages were sent to the original five bidders and that this was not standard procedure and limits bidding to selective bidders; that the process did not show good faith for a competitive bid process or meet public advertising requirements; that the process showed favoritism.

Commissioner Coblenz said that the Commission was not trying to favor one contractor over another; that no member of the Commission knows or has any relationship with any of the contractors; that on the advise of the City Attorney's office all bids were rejected and there was a call for new bids; that according to the City Charter the lowest bid must be accepted.

Larry Dent, attorney for Branaugh Excavating disagreed with the interpretation made by Jim Woods, City Attorney's office; that the determination of attachment I is clearly to be made by HRC.

Commissioner Coblenz responded by saying that the Airports Commission bears the ultimate responsibility. When Commissioner Fleishell and I asked who the attorney was for HRC the response was, "the same attorney as you have". The Commission must go along with the City Attorney's recommendations.

Mr. Dent stated that the requirements for publication had not been met; that the invitation to bid did not follow the rules required by law; and, that it was unfair.



Mr. Garibaldi, Chief Counsel for the Airport, responded by saying that the advertising was conducted in compliance with the requirements of the Charter and Administrative Code; that responsive bids were submitted and the Commission could award the contract to the lowest bidder today.

Mr. Turpen recommended that the Commission proceed with 1504R.

Commissioner Fleishell commented that he was concerned about the concept of fairness; that everyone present today was present when the

time-frame for re-bid was set; that no one raised the question of fairness or statutory inability.

Mr. Dent stated that this was not discussed at the last Commission meeting but was brought up at the meeting with Airport counsel.

4. \$450,000 Supplemental Appropriation for Bond Consultants.

NO. 82-0032

Resolution authorizing a supplemental appropriation of \$450,000 from unappropriated surplus to provide funds for the bond issue consultants.

The following items were moved to the March 16, 1982 Airports Commission meeting.

5. Selection of Bond Counsel

Resolution authorizing the selection of Orrick, Herrington, and Sutcliffe as Airport Bond Counsel.

6. Selection of Feasibility Consultant

Resolution authorizing the selection of John F. Brown & Co. to serve as Feasibility Consultant for the Series C Airport Revenue Bond Issue.

7. Approval of Salomon Brothers Contract

Resolution approving contract with Salomon Brothers for financial consulting services. In addition to the normal financial consulting services, contract includes provisions to reimburse Salomon Brothers for (1) rating agency fees; (2) the cost of bond printing; (3) printing and distribution of the official Statement, Notice of Sale, and related documents; and (4) travel costs in connection with the marketing of Airport bonds

8. Selection of Auditor for Bond Issue

Resolution authorizing the selection of Deloitte, Haskins, and Sells as Airport auditor to provide a



six-month stub audit and a qualified auditor's opinion. These services are required for the Series C Airport Revenue Bond Issue.

The following items were unanimously adopted.

9. Schematic Design Approval - Dobbs' South Terminal Newsstand.

NO. 82-0033

Resolution approving proposed schematic design of Dobbs' newsstand in South Terminal, Boarding Area C.

10. Approval of Design for California Products Shop

NO. 82-0034

Resolution approving concept and preliminary design of California Products Shops and authorizing lessee to proceed with final design and construction of shops, subject to all required approvals by Airport staff.

11. Memorial Resolution

NO. 82-0035

Resolution memorializing Captain William R. "Bill" Hawkins, Jr., member of the Sound Abatement Committee for over twenty years, and chairing that committee for over ten years, who died on January 29, 1982.

12. Resolution of Appreciation

NO. 82-0036

Resolution of appreciation for Alice Y. Moses who has been selected as Secretary to the Commission on Aging.

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

13. Authorization for attendance at a Management of Emergency Medical Services Programs Class in March of Firefighter, Antonio G. Correa.

NO. 82-0037

Resolution authorizing Antonio G. Correa, Firefighter/Paramedic, San Francisco Fire Department, to attend the March class on Management of Emergency Medical Services Programs at the United States National Fire Academy in Emmitsburg, Maryland.

14. Award of Contract No. 1276, Steel Stairs and Grating, Central Plant Cooling Tower, \$38,857.

NO. 82-0038



Bids Received February 17, 1982:

1.	Shepard Steel Contractors, Inc.	\$38,857
2.	Crown Iron Works	\$39,375
3.	Hodgson Construction Co.	\$39,990
4.	Herman A. Duysings	\$51,900
5.	Dalzell Corp	\$76,300
	Budget:	\$45,000

15. Bid Call-Contract No. 1226, Construction of Detention Pond, Industrial Waste Treatment System.

NO. 82-0039

Proposed resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1226, Construction of Detention Pond - Industrial Waste Treatment System.

The purpose of the contract is to construct a detention basin to collect and hold the first flush from a rainstorm and to release this runoff at a uniform rate later for treatment at the new Industrial Waste Treatment Plant.

Construction time is 150 calendar days. Project included in approved 5-year Capital Improvement Program project list.

16. Bid Call - Contract 1318-A, Parking Lot Improvement at Airport Public Service Building

NO. 82-0040

Provides new chain link fencing, paving, building graphics, sidewalk improvements, new parking lot access from Road R-2, and new public parking spaces to accommodate Airport staff and tenants occupying the facility.

This construction contract is the first of two contracts planned for this building.

Estimated Construction Cost: \$80,000.

Total budget approved by Commission for both contracts: \$233,000.

17. Modification NO. 11 and Substantial Completion of Airport Contract NO. 936-Industrial Waste Treatment Plant.

NO. 82-0041

Resolution accepting the work performed under Airport Contract No. 936, Industrial



Waste Treatment Plant, as substantially complete; approving and requesting the Controller's certification of Debit Modification in the amount of \$4,877.84; extending the completion date from June 20, 1980 to April 26, 1981; assessing liquidated damages in the amount of \$24,000.00; authorizing the Director of Airports to execute said agreement for the Airports Commission; approving the agreement for payment of monies not in dispute; and approving final payment in the amount of \$366,648.92 in favor of the contractor, Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002.

Original Contract amount	\$3,693,450.00
Previous Modifications (Debit)	115,923.28
Modification No.11 (Debit)	4,877.84
Final Contract Amount	\$3,814,251.12
Original Contract Time	460 calendar days
Contract Time as Modified	770 calendar days
Effective date of contract	March 19, 1979
Original Completion Date	June 20, 1980
Modified completion date	April 26, 1981
Actual Completion date	May 20, 1981
18. Settlement of Claims Not Exceeding \$2,500.	
NO. 82-0042	Resolution approving settlement and compromise of claims by the Director of Airports, with the approval of the City Attorney, during the period November 1981 to January 1982. Total of claims, \$4,399.66
19. Delta Air Lines Rental Credit; North Terminal; \$6,300.	
NO. 82-0043	Resolution authorizing a rental credit of \$6,300 to Delta Air Lines, Inc., for installation of fire sprinkler service and rescinding Resolution 81-0251.
21. Resolution Consenting to Merger of Host International, Inc with Marriott Corporation.	
NO. 82-0045	

\* \* \*

#### H. SPECIAL ITEM:

22. 1982-83 Budget Increase for Electricity and Gas



NO. 82-0046

Resolution to increase the  
Fiscal Year 1982-83 Budget  
for Electricity and Gas by  
\$6,891,609.

\* \* \*

Mr. Turpen asked that the Commission take note of the passing of Capt. Bill Hawking who, for 20 years, served TWA and the Airline Pilots Association. Capt. Hawking started the Sound Abatement Center at SFO in 1960. He is probably the person most responsible for any success we've had in the noise abatement area. It is with regret that we note his passing and ask that this session be adjourned in his memory.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS

The following resolution was proposed by Commissioner Coblenz and unanimously adopted.

NO. 82-0047

Resolution authorizing the purchase of a Robert Hudson Painting, "A Horse of Another Color", at a total cost not to exceed \$30,000 (including installation and delivery), for installation in the North Terminal at San Francisco International Airport.

\* \* \*

I. TRAILING CALENDAR:

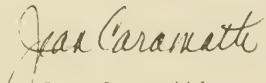
There was no discussion of items on the Trailing Calendar.

\* \* \*

K. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further business before the Commission, the meeting was adjourned at 3:30 P.M. in memory of Capt. William R." Bill" Hawking, and went into Closed Session.

\* \* \*



Jean Caramatti  
Secretary  
Airports Commission



DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

WESTERN REGION  
P O BOX 92007 WORLDWAY POSTAL CENTER  
LOS ANGELES, CALIFORNIA 90009



June 18, 1975

TO ALL CONCERNED

AERONAUTICAL STUDY NO. 74-WE-737-OE  
Formerly 72-WE-835-OE

A determination of No Hazard to Air Navigation was issued on the subject study on February 6, 1975 following a public meeting held in Millbrae, California on December 11, 1974. Subsequent to the determination the Airline Pilots Association and M.A.G. Consultants petitioned the FAA Washington Office for administrative review.

Based upon safety considerations not within the purview of Part 77 of the Federal Aviation Regulations, the FAA Acting Administrator issued his determination in OE Docket No. 74-WE-1 (copy enclosed).

  
DON M. DAVIS  
Chief, Airspace and Procedures Branch  
Air Traffic Division

Enclosure



DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION  
OE DOCKET NUMBER 74-WE-1  
RICHMOND ENTERPRISES  
DETERMINATION OF HAZARD  
TO AIR NAVIGATION

The Federal Aviation Administration Western Region was notified by FAA Form 7460-1, Notice of Proposed Construction or Alteration, dated September 18, 1974, that Richmond Enterprises proposed to construct two office buildings and a parking structure in Millbrae, California. The proposed office buildings would have a height of 120 feet above ground level (AGL), 126.5 feet above mean sea level (AMSL). The geographical coordinate location would be at latitude 37° 36' 15" north, longitude 120° 22' 34" west.

The Western Region conducted a detailed aeronautical study of the proposal under Aeronautical Study Number 74-WE-737-OE and held an informal airspace meeting at Millbrae, California, to discuss the proposed structures. As a result of the study, a Determination of No Hazard to Air Navigation was issued on February 6, 1975.

By letter dated February 24, the Air Line Pilots Association (ALPA), Washington, D. C., requested the FAA Administrator to abate what ALPA indicated would be a serious threat to the safety of air operations at San Francisco International Airport if the subject buildings are constructed as proposed. Subsequently, the National Transportation Safety Board,



Washington, D. C.; the Air Transport Association of America, Washington, D. C.; and the M. A. G. Consultants, Inc., San Francisco, California, also requested the FAA Administrator to review the determination of no hazard.

A review of the effect on safety of the buildings proposed near San Francisco International Airport was initiated. The review was conducted on the basis of written materials and other relevant facts, and for the following reasons, requires a conclusion that the proposed buildings, if constructed, would constitute a hazard to air navigation.

The present Instrument Flight Rules (IFR) departure restrictions for runways 19 left and 19 right (herein called "Runways 19L/R") are a ceiling of 700 feet and one mile visibility; a left turn as soon as practicable; a climb east bound on San Francisco (SFO) VORTAC Radial 101 to 2000 feet; or compliance with published SFO Standard Instrument Departures (SIDs). All SFO SIDs applicable to runways 19L/R specify a left turn as soon as practicable. The need for these restrictions arises because of structures and high terrain which obstruct the flight path of aircraft in the straight-out departure area of these runways.

The current weather minimums and other restrictions applicable to aircraft departing runways 19L/R are necessary to assure visual control of the aircraft flight path in a left turn so as to avoid the mountain slope and other obstructions in the straight-out area. A left turn as soon as practicable after aircraft liftoff not only assures avoidance of the straight-out obstructions, but also precludes the aircraft entering excessive downslope



winds which are prevalent in the straight-out area under the same wind conditions that make the use of runways 19L/R necessary.

The current left turn restriction cannot be revised to require a straight-out climb to an altitude to assure clearing the proposed buildings since such a revision might force aircraft into the obstructed area and into the area of strong downslope winds. The downdrafts associated with these winds can seriously interfere with the ability of aircraft to safely clear the terrain in the straight-out departure area. Furthermore, a right turn cannot be safely permitted because of the same reasons involving terrain and downslope winds.

Aircraft executing a left turn after departure from runways 19L/R pass over or unacceptably close to the site of the proposed buildings. The buildings would penetrate by a substantial amount a 40:1 departure obstacle clearance plane as applied to both runways 19L/R. By so doing, the buildings would penetrate the airspace needed for safe use by IFR aircraft executing a left turn after departure from 19L/R, and would have an adverse effect on the safety of these aircraft operations. A substantial number of IFR operations would be affected. Moreover, the weather minimums for these runways (700-foot ceiling and one mile visibility) are not applicable to high performance jet aircraft and other types of aircraft while operating under the flight rules of Part 91 of the Federal Aviation Regulations. While the left turn procedure is applicable to these aircraft, the weather minimums are not. These aircraft can depart the affected runways in sufficiently low ceiling and visibility conditions that they would be unable to see and thus avoid the proposed buildings while executing a left turn.



For the reasons stated above, I find that the proposed office buildings would have a substantial adverse effect on the safety of IFR operations from runways 19L/R at San Francisco International Airport and that those buildings, if constructed as proposed, would be a hazard to air navigation.

*James E. Dow*  
Acting Administrator

Issued in Washington, D.C. on JUN 11 1975



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, March 16, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Adoption of Minutes		1
D.		Announcement by Secretary:	82-0048	1
E		Items Initiated by Commissioners:		1
F.	1.	Airport contract No. 1204, Firehouse No. 1, Modification No. 1. \$28,400 (credit).	82-0050	2
	2.	Shuttle Bus Service Agreement Modification No. 15 for \$41,306.19.	82-0051	2
	3.	1981-82 Payment to the City	82-0052	2
	4.	Airline Motor Coach Service Agreement		2
	5.	Resolution Accepting Relinquishment of Central Terminal Omelette Parlour Space from Hose International, Inc.	82-0053	3
G.		Consent Calendar of Routine Administrative Matters:		
	6.	Bid Call - Contract No. 1462, Concrete Divider Barrier at East Underpass	82-0054	3
	7.	Tenant Improvement: United Airlines North Terminal Gates Modifications to Emergency Fuel Shutdown and Fire Protection Systems. T-2616 - \$19,000.	82-0055	3
	8.	Tenant Improvement: United Airlines Maintenance and Operations Center T-2618 - \$26,000; T-2619 - \$38,000.	82-0056	3
	9.	Tenant Improvement: United Airlines Maintenance and Operations Center - Repairs to Jet Fuel Tank. T-2610 - \$14,000.	82-0057	3
	10.	Butler Aviation/Aviation Methods Sublease	82-0058	4



11.	Low Level Wind Shear Alert Systems for Runways 28R, 18L and 19L.	82-0059	4
12.	Assignment of Duty Free Shop Lease in South Terminal	82-0060	4
13.	Airport Contract No. 1225 - Pavement Overlay, Taxiway B, South End Substitution of Subcontractor.	82-0061	4
14.	Professional Services Contract Parry Co., \$10,000.		4
H.	Trailing Calendar		4
J.	Adjournment to go into closed session		5



MINUTES  
OF THE  
AIRPORTS COMMISSION MEETING

Tuesday, March 16, 1982

A. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. Roll Call:

Present:

Commissioners Morris Bernstein, William K. Coblenz, Z.L. Goosby, J. Edward Fleishell

Absent:

Commissioner Ruth S. Kadish

\* \* \*

C. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

NO. 82-0029

Resolution adopting Minutes of the February 16, 1982 Airports Commission Meeting.

Mr. Turpen asked that the Minutes be amended on page 6, paragraph 6, line 1 to read \$49,191.

D. Announcement by Secretary:

In accordance with the Brown Act Section 54957.1, Jean Caramatti, Secretary to the Commission, announced the unanimous adoption of Resolution 82-0048 authorizing the Director to hire outside legal counsel to represent the Airport in noise litigations, in closed session on February 16, 1982.

\* \* \*

E. Items Initiated by Commissioners:

Commissioner Fleishell asked Mr. Turpen, Airport Director, to respond to a letter received from Ackerley Communications that they had purchased several companies holding contracts at the Airport and that they looked forward to an expansion of their concession within the framework of their contract. Commissioner Fleishell asked why the Commission wasn't asked to consent to the transfer of contracts, and further stated that there can be no expansion of a contract without going through a bid process.



Mr. Turpen said that he would look into this and report back.

\* \* \*

F. Agenda Items Involving Major Policy or Operational Decisions:

The following resolutions were unanimously adopted.

1. Airport contract No. 1204, Firehouse No. 1,  
Modification No. 1. \$28,400 (credit).

NO. 82-0050

Resolution Approving and  
requesting the Controller's  
certification of Credit  
Modification No. 1 in the  
amount of \$28,400.00. The  
contractor for this work is  
Paxton Construction Co.

This modification provides  
for substitution of window  
and lighting fixture  
materials and for deletion of  
the laundry chute and various  
types of equipment.

Original Amount of Contract	\$1,767,319.00
Modification No. 1 - Type 2 (credit)	(28,400.00)
Revised Amount of Contract	\$1,738,919.00

2. Shuttle Bus Service Agreement Modification No. 15 for  
\$41,306.19.

NO. 82-0051

Resolution approving  
Modification No. 15 to the  
Shuttle Bus Service Agreement  
to provide for price  
adjustment to compensate for  
increases in labor wage rates  
and fuel costs. Total Cost:  
\$41,306.19

3. 1981-82 Payment to the City.

NO. 82-0052

Resolution to approve a  
Supplemental Appropriation  
for FY 1981-82 in the amount  
of \$2-million for a payment  
to the City.

The following item was put over to the April 6, 1982 meeting.

4. Airline Motor Coach Service Agreement.

Resolution inviting bids for  
award of Airline Motor Coach  
Service Agreement for a term  
of ten (10) years. The bid  
item is the dollar amount to  
be paid for deplaned  
passengers with the minimum  
acceptable bid figure being  
\$100,000 a year

The following items were unanimously adopted.



5. Resolution Accepting Relinquishment of Central Terminal Omelette Parlour Space from Host International, Inc.

NO. 82-0053

Resolution accepting Host's request to relinquish back to the Airport the Central Terminal Omelette Parlour and Pier D Snack Bar.

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

6. Bid Call - Contract No. 1462, Concrete Divider Barrier at East Underpass.

NO. 82-0054

Resolution authorizing bid call for subject project. Work includes the installation of a concrete divider barrier in the East Underpass to prevent accidents.

7. Tenant Improvement: United Airlines North Terminal Gates Modifications to Emergency Fuel Shutdown and Fire Protection Systems. T-2616 - \$19,000.

NO. 82-0055

Resolution approving the plans submitted by United Airlines for modification to their emergency fuel shutdown and fire protection sprinkler systems at the North Terminal aircraft parking gates.

All work will be done at United Airlines sole expense and without rental credit.

8. Tenant Improvement: United Airlines Maintenance and Operations Center. T-2618 - \$26,000; T-2619 - \$38,000.

NO. 82-0056

Resolution approving the plans and specifications submitted by United Airlines for:

1. Installation of Bulk Gas Supply in Building 84, (T-2618).

2. Installation of Recycled Jet Fuel Storage Facility (T-2619).

All work to be done by United at its sole expense and without rental credit.

9. Tenant Improvement: United Airlines Maintenance and Operations Center - Repairs to Jet Fuel Tank. T-2610 - \$14,000.

NO. 82-0057 -

Regulation approving the plans submitted by United Airlines for repairs and minor improvements to their jet fuel storage tank. All work to be done at United Airlines sole expense and without rental credit.



10. Butler Aviation/Aviation Methods Sublease.

NO. 82-0058

Resolution approving sublease between Butler Aviation-San Francisco, Inc., lessor of Plot 7N and Aviation Methods, Inc. for a portion of said Plot 7N and hangar space for aircraft maintenance and repair for a period of one year at a monthly rental of \$2,860.00

11. Low Level Wind Shear Alert Systems for Runways 28R, 28L and 19L.

NO. 82-0059

Resolution approving modification to FAA leases for the installation and maintenance of Low Level Wind Shear Alert System.

<u>Modification No</u>	<u>Contract No</u>	<u>LLWSAS</u>	<u>Site No.</u>	<u>Existing Facility</u>
002	DOT-FA75WE-2902		1	RVR Runway 28R
004	FA-WE-1845		2	ILS/ALS Runway 19L
003	FA66WE-2083		3	ILS/ALS Runway 28L

12. Assignment of Duty Free Shop Lease in South Terminal

NO. 82-0060

Resolution consenting to assignment of lease of Duty Free Shop, dated December 14, 1972, by DFS North America Limited to Duty Free Shoppers Limited.

13. Airport Contract No. 1225 - Pavement Overlay, Taxiway B, South End Substitution of Subcontractor.

NO. 82-0061

Resolution approving the substitution of the painting subcontractor, J.F. Hourigan Company for the subcontractor Riley Striping listed in the contract proposal for Contract No. 1225.

The following item was put over to a later date.

14. Professional Services Contract - Parry Co., \$10,000.

Contract with the Parry Company to construct annual noise contours for SFIA as of December 31, 1981, and June 30, 1982 - \$10,000.

\* \* \*

H. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*



J ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further business before the Commission, the meeting adjourned at 2.35 PM to go into closed session

*Jean Caramatti*

Jean Caramatti  
Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, April 6, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



**SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING**

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Adoption of Minutes		1
D.		Director's Reports		1
	1.	Airport Interchange - Oral Report		1
	2.	Millbrae Plaza Hotel - Oral Report		2-3
	3.	Cerand - Oral Report		3
	4.	Shuttle Bus		3
	5.	Valet Parking		3
E.		Items Initiated by Commissioners		4
F.		Agenda Items Involving Major Policies or Operational Decisions.		1
	6.	Modification No. 1, Noise Monitoring System Expansion, Phase II, Tracor, Inc. - \$180,000.00.	82-0064	4
	7.	Noise Complaint Information Display G.C. Consultants - \$44,875.00	82-0065	4
	8.	Professional Services Contract - Parry Co. - \$10,000.	82-0066	4
	9.	Completion of Professional Services Agreement - San Francisco Airport Architects - Modernization and Replacement phase of the Expansion Program.	82-0067	5
	10.	Amendment No. 10 to Gensler and Associates' Professional Services Agreement -- Amount to be certified by Controller: \$1,228,158.	82-0068	5
	11.	Airport Operators Council International Inter-American Airports Conference.	82-0069	5-6
	13.	Proposed Shuttle Bus Contract	82-0073	6
	14.	Continuance of Valet Service		6
	15.	Supplemental Appropriation to amend 1981-82 Garage Budget.	82-0074	6
	16.	Approval of SFAIC Financing for Boarding Area D Tenant Improvements	82-0075	7
	17.	Request Authority to Obtain Bids for Communications Radio Systems.	82-0076	7-8
	18.	Authorization to Receive Bids for Concession.	82-0077	8



19	Approval of Host Submitted Subcontractor.	82-0078	1-8
20.	Central Terminal Concession Development Plan	82-0079 82-0080 82-0081 82-0082	10 10 10-11
G.	Consent Calendar of Routine Administrative Matters		
21.	Bid Call-Airport Contract No. 1335, Emergency Airfield Pavement Repairs, FY 1982-83.	82-0083	9
22.	Award of Contract - Airport Con- tract No. 1226 Detention Pond - Industrial Waste Treatment System - Piombo Corporation - \$363,650.00	82-0084	9
23.	Award of Contract 1318A - Parking Lot Improvements at Airpor Public Service Building - \$70,690.00	82-0085	9-10
24.	Assignment of Concession Agreement for Operation of Automobile Rental Service	82-0086	10
25.	Tenant Improvement: TWA Plot 3 - Industrial Waste Connection. T-2633 - \$25,000.	82-0087	10
26.	Tenant Improvement: Union Oil/PSA Plot 3 - Jet Fuel Loading Modifi- cation. T-2626 - \$40,000.	82-0088	10
H.	Trailing Calendar		11
I.	Closed Session		1
J	Adjournment to go into closed session		11



Minutes  
of the  
Airports Commission Meeting

April 6, 1982

A. CALL TO ORDER: The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:

Commissioners William K.  
Coblentz, Ruth S. Kadish,  
Z.L. Goosby, J. Edward  
Fleishhell

Absent:

Commissioner Morris Bernstein

\* \* \*

C. ADOPTION OF MINUTES:

The following resolution was adopted by order of the Commission Vice President:

NO. 82-0062

Resolution adopting Minutes  
of the March 2 and March 16,  
1982 Airports Commission  
meetings.

\* \* \*

I. CLOSED SESSION:

The meeting of the Airports Commission went into closed session at 2:03 P.M. and was reconvened at 2:25 P.M.

D. DIRECTOR'S REPORTS:

(1) Airport Interchange - Oral Report

Discussion of alternatives  
available to Airport for the  
interchange project.

Mr. Turpen, Director of the Airport said that on Monday, April 12, he would meet with Cal Trans to discuss phasing of the interchange; that it is a three phase program, outlined in the State Transportation Plan. One phase is 380 to the Airport; second phase is Airport to 380; and the third phase, which is unfunded, is the connection between West of Bayshore and the Airport. The interchange work should be done in 1983 and '84 for the 380 to Airport connection and 1984 and '85 for the Airport to 380 connection. He will report back to Commission after meeting on Monday with a more detailed report.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICY OR OPERATIONAL DECISIONS:

The following item was unanimously adopted.

12. Selection of Consultants for Bond Issue.

A. Approval of Salomon Brothers Contract



NO. 82-0070

Resolution modifying  
Commission Resolution 81-0319  
which approved the selection  
of Salomon Brothers as  
Financial Consultant.  
Modification authorizes  
reimbursement to Salomon  
Brothers for (1) rating  
agency fees; (2) the cost of  
bond printing; (3) printing  
and distribution of Official  
Statement, Notice of Sale,  
and related documents; and  
(4) travel costs in  
connection with the marketing  
of Airport bonds.

B. Selection of Feasibility Consultant.

NO. 82-0071

Resolution authorizing the  
selection of John F. Brown &  
Co. to serve as Feasibility  
Consultant for Airport  
Revenue Bond issues.

D. Selection of Feasibility Consultant

NO. 82-0072

Resolution authorizing the  
selection of Deloitte,  
Haskins, and Sells as Airport  
Bond Issue Auditor.

The following item was moved to another date.

C. Selection of Bond Counsel.

\* \* \*

D. DIRECTOR'S REPORTS (continued)

2. Millbrae Plaza Hotel - Oral Report

Mr. Turpen stated that the Airport went to the Millbrae City Council and asked for reconsideration of their previous action regarding the Plaza Hotel; that the airport has not received any official response to that request; that reconsideration was requested of the FAA'S prior determination of no-hazard with respect to the hotel.

The separate but similar issue was the Marriott Hotel. The hotel had been relocated about 1000 ft. to the east and due to that action he had asked the Commission to withhold taking any position on this matter. He had hoped to get together with the airline pilots, FAA, the developer and people from Burlingame to discuss their concerns. However, last evening, April 5, the Burlingame City Council passed a resolution which accepted the EIR for the hotel complex. The Airport did testify. On April 12 the Burlingame Planning Commission will hold a public hearing on the application to construct the hotel and approve it; that our meeting is on the 13th and since the project is moving along very rapidly it is recommended that a position be taken on this matter prior to its closure. Margaret Monroe is here from the Burlingame Planning Commission and would be able to answer questions for the Commission

Mr. Turpen stated that the Commission had before them a resolution, similar to the previous resolution, which takes issue with the proposed construction of the Marriott Hotel, and recommended its adoption.

Commissioner Coblenz called for a motion for approval; the motion was moved and seconded.



Commissioner Goosby said that he was not prepared to vote on it, and asked to be excused from voting.

Commissioner Coblenz said that according to the rules of the Commission his vote could not be excused. He recommended that the Commission continue with the calendar and go back to that item in order to give Commissioner Goosby a chance to look it over.

3. Cerand - Oral Report

Briefing as to the status of  
Cerand contract for garage  
revenue control system.

Mr. Smith acting Deputy Director for Business and Finance stated that the Cerand contract was certified by the Controller on December 2, 1981, which authorized them to go ahead with Phase 1, the feasibility study, with a report to come in within 90 days. The report came in on Monday. Staff would analyze the report, give it to the Commission in the coming week and be calendared at the next meeting for action.

4. Shuttle Bus

Mr. Turpen said that the Commission had been concerned about vehicle size and headway. Staff recommends that 12, 30-35 foot heavy-duty transit coaches, with an approximate capacity of 25 seats be specified in the new contract, and, that the number of hours be reduced from 160 to 128 hour minimum. There is a resolution to this effect in the Commission package.

Sheldon Fein is available to answer any questions on the recommendations of the bus size.

\* \* \*

Commissioner Coblenz suggested that the Commission go back to the resolution regarding the Millbrae Plaza Hotel and asked Dr. Goosby if he had any questions.

Commissioner Goosby stated that he felt that the argument the Pilots' Association made was strong and that he went along with them.

Commissioner Kadish asked who the April 13th meeting would be with, and what time would it be held.

Mr. Turpen replied the Airport Transport Association, FAA, Airline Pilots Association, representatives from Burlingame, the developer, and key airport staff. The meeting would take place at 1:00 p.m or 2:00.

The following item was unanimously adopted.

Airports Opposition to the Marriott Hotel Complex.

NO. 82-0063

Airport strongly and emphatically takes issue with the proposed construction of the Marriott Hotel in Burlingame for reasons of safety and the potential noise impact it will create

D. DIRECTOR'S REPORTS.

The following item was put over.

5. Valet Parking

To resolve the issue whether to continue or to discontinue valet service relative to the



Commission's primary concern  
of a significant loss in  
parking revenue if the  
service is eliminated.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS.

There were no items initiated by Commissioners.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.-

The following items were unanimously adopted.

6. Modification No. 1, Noise Monitoring System Expansion, Phase II, Tracor, Inc. - \$180,000.00.

NO. 82-0064

Modification No. 1 to  
Contract No. CT 10320, an  
agreement with TRACOR, Inc.  
Applied Sciences Group for  
professional services to  
expand the capabilities of  
the Noise Monitoring System  
in three phases, authorizes  
the Consultant to proceed  
with Phase II, the siting,  
equipping and installing of  
eleven additional noise  
monitoring sites. - \$180,000.

7. Noise Complaint Information Display, G.C. Consultants -  
\$44,875.00.

NO. 82-0065

Contract with G.C.  
Consultants (GENGE) for  
professional services to  
implement and operate the  
Airport Noise Complaint  
Information Display system  
and FAR 36 Airline Compliance  
Tracking - \$44,875.00.

8. Professional Services Contract - Parry Co. - \$10,000.

NO. 82-0066

Contract with the Parry  
Company to construct annual  
noise contours for SFIA as of  
December 31, 1981 and June  
30, 1982. \$10,000.

Ms. Emerson, President of the Serramonte Homeowners Association  
asked if this phase was for installation or to hire a consultant?

Arnold Feener, Airport Staff, said that this phase was to site  
and install the additional monitors.

Ms. Emerson asked whether there would be 24-hour staffing of the  
Noise Complaint Information Display; that no one answers the  
phone unless you let the phone ring 20 times.

Mr. Feener said someone was there 24-hours a day; that he would  
look into the problem.

Commissioner Fleishell questioned why the Airport was doing  
business without a bid process; that we, as a public agency,  
have to get the best price for our dollar; that that is the  
obligation we have under the settlement agreement with the  
airlines.



9. Completion of Professional Services Agreement - San Francisco Airport Architects - Modernization and Replacement phase of the Expansion Program.

NO. 82-0067

Proposed resolution accepting architectural and engineering services as complete for assigned phases of program and authorizing final payment of \$10,798.00 for a total fee of \$1,508,384.22 and requesting the Controller to certify a credit modification of \$68,393.78.

Commissioner Fleishell said that a reservation of rights had been signed against this architectural firm which could not be reduced to litigation until we terminated their agreement. What plans do we have to pursue our legal rights and what steps have been taken to perpetuate the testimony and prepare for the litigation of it should ensue?

Mr. Turpen said he would get that information.

10. Amendment No. 10 to Gensler and Associates' Professional Services Agreement -- Amount to be certified by Controller: \$1,228,158.

NO. 82-0068

Purpose of Amendment No. 10 is to update contract with Gensler and Associates for the following:

1. Authorize City Controller to certify funds for the balance of the work for the Central Terminal Complex in accordance with contract provisions. Projects include Boarding Area D, Central Terminal Remodeling (excluding pedestrian bridge), Control Tower, and Terminal Connectors. Funds to be certified: \$880,107  
2. Revise fee in accordance with contract provisions for increased scope of work required by Commission Resolution Nos. 81-0141 (Central Terminal with Control Tower) and No. 81-0121 (Terminal Connectors). Funds to be certified: \$348,051.  
Total amount to be certified: \$1,228,158. Funds have been budgeted for this purpose and are currently available.

11. Airport Operators Council International Inter-American Airports Conference.

82-0069

Resolution approving travel for one staff member to the Airport Operators Council International, Inter-American Airports Conference in St. Thomas, Virgin Islands.

Commissioner Kadish asked which staff person would attend the Conference.



Mr. Turpen replied that no one had been chosen, as yet.

Commissioner Goosby asked what was so important about attending this Conference?

Mr. Turpen replied that he felt it was important to become more actively involved in AOCI affairs; that they can be of help to us in terms of bringing to us the perspective of other airports; and, we have a lot to offer to AOCI and other airports in terms of our ideas.

Commissioner Goosby asked if staff members attending conferences could give a brief report upon their return.

Commissioner Kadish asked if these reports could be given verbally as a Director's Report.

Commissioner Fleishell asked that in the future the areas of interest be identified so that the Commission would know that attendance was justified, and it might help identify the staff person as well.

Mr. Turpen said he would provide that information. One benefit is the ability to meet the people who are involved in similar activities and establish the type of liaison needed to be able to call people and solicit their ideas. He would be happy to provide the Commission with the proposed agenda.

#### 13. Proposed Shuttle Bus Contract

NO. 82-0073

Staff recommends that the Commission approve a resolution modifying the proposed shuttle bus contract from a minimum of 144 hours of bus service per day to a minimum of 128 hours of bus service per day.

The following item was put over.

#### 14. Continuance of Valet Service

If valet service is to continue, staff recommends a valet fee increase from \$10 to \$15, and a reduced level of service, if the service is to be provided on a break-even basis.

The following items were unanimously adopted.

#### 15. Supplemental Appropriation to amend 1981-82 Garage Budget.

NO. 82-0074

Resolution authorizing increase to 1981-82 Garage Budget by \$126,000 due to additional man-hours authorized for the taxicab operations and other garage operational expenses not included in said budget.

Commissioner Kadish stated that the supplemental is related to the valet service and therefore should be put over until action was taken on valet.

Mr. Turpen said that was correct, however, in this instance, due to the fact that we are getting close to the end of the year and that these funds will be required if we continue valet he felt it appropriate to pass this resolution as it could be withdrawn



if valet was terminated.

Commissioner Goosby stated that the operational charge increases the taxi portion of the garage budget by \$65,000. Part of the cost is in an effort to straighten out the problems we are

having with the taxi cab service. It's costing us an additional amount of money. He asked if \$126,000 was an accurate reading? What, approximately, do we make off the taxi cab service?

Mr. Turpen replied that that was an accurate reading; that taxi cabs pay \$1.50 a trip.

Commissioner Goosby asked how much we were making off the taxi service?

Sheldon Fein replied that there were approximately 1000 paying taxi cabs a day, at \$1.50 a trip, for a gross revenue of about \$540,000 a year.

16. Approval of SFAIC Fiancing for Boarding Area D Tenant Improvements

NO 82-0075

Resolution approving preliminary proposal permitting the financing by sale of revenue bonds through San Francisco Airport Improvement Corporation of certain airline tenant improvements on Boarding Area D. Improvements to be financed include passenger loading bridges, baggage systems, 400HZ power, aircraft guidance systems, flight information display system, elevator, boarding lounge furniture and counters.

17. Request Authority to Obtain Bids for Communications Radio Systems.

NO. 82-0076

Resolution to request authority to obtain bids for the installation of UHF Multi-frequency emergency radio system with digital voice protection as part of the relocation of the communications section into the new Communications Center to be located at the North Terminal Connectors and allow its staff to proceed with contractual arrangements to establish the system.

Commissioner Fleishell stated that we have jumped from \$300,000 to \$600,000; that the airlines had opposed this; that on the recommendation of Pacific Telephone we changed our phone system and our phones are now working less effectively than they did before the change.

Some 4 or 5 meetings ago we authorized the expenditure of \$15,000 to have Pacific Telephone tell us how much of their equipment we should buy. He suggested, at that time, that we check other companies, and was told that only Pacific Telephone maintains personnel on the airport. This bid calls for equipment other than that manufactured by Pacific Telephone. He assumes that that company will provide personnel. Upon checking with people in the business he was told that with an



installation this size any company would maintain personnel on the airport 24-hours-a day. So why aren't we going out and getting the best state of the art possible instead of dealing with one firm.?

Mr. Turpen replied that we would be spending \$450,000 on our modernization program. Our communication system is antiquated. The package, conceptually, is an excellent one. This resolution calls for obtaining bids for the development and installation of the emergency radio system. This is one part of the total \$1.3 million package. The Airline Tech Committee and Airline Affairs Committee would not oppose this item if we went before them at their next meeting and reviewed the remainder of the program. There are other companies that could offer this type of package but the key here is reliability and responsiveness and that is why we are pursuing it in this manner.

Mr. Turpen called the commission's attention to the resolution stating that the last resolve should be deleted.

Commissioner Kadish stated that we should have a communications system that is in line with the airport we're trying to build; an efficiently operated, and up-to-date airport. If we are saddled with ancient equipment which decreases our response time, its the same as if an airline were using an airplane that was an old model as of 20 to 30 years ago. The airline would not use an old model and we should have up-to-date communications equipment.

Commissioner Coblenz as a director of Pacific Telephone, made a motion calling for his abstention from voting. Commissioner Kadish seconded the motion.

18. Authorization to Receive Bids for Concession.

NO. 82-0077

Resolution approving lease specifications for a North Terminal, west end, Entertainment Center/Game Room Concession, and authorizing invitation for bids for said concession.

Commissioner Kadish asked if these specifications had been checked with Commissioner Bernstein.

Mr. Skip Conrad, airport staff, stated that all specifications were reviewed by Commissioner Bernstein with the exception of the term which allows a 5-year unilateral option in the lessee subject to renegotiation of rent after the first 5-years. The other part of the specifications, that was deleted, was an option of first right refusal with the game room concessionaire to operate an additional location.

Commissioner Fleishell felt that the specifications for bid were ambiguous and used the third criteria for experience as an example.

Commissioner Fleishell requested to see the final contract before it goes out to bid.

Mr. Conrad said that would be done; that the final contract was approved about 1-1/2 years ago; that it is the standard lease.

19. Approval of Host Submitted Subcontractor.

NO. 82-0078

Resolution approving Croissantree, Inc. as Cookie Shop Subcontractor for Host International, Inc.

Commissioner Goosby thanked Host for responding to the wishes of



the commission in finding a minority firm; that there might be other opportunities for small cookie firms in the Central, South and North Terminals.

Commissioner Coblenz asked about the plans for an ice cream parlour.

Jason Yuen, airport staff, said the construction work has almost been completed but the tenant work has just started.

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

The following items were unanimously adopted.

21. Bid Call-Airport Contract No. 1335, Emergency Airfield Pavement Repairs, FY 1982-83.

NO. 82-0083

Resolution approving scope, budget and schedule and authorizing Director of Airports to call for bids on Airport Contract No. 1335, Emergency Airfield Pavement Repairs, FY 1982-83.

The purpose of this annual contract is to provide a means to perform urgent repair work on an as-needed basis, over and beyond the capability of City maintenance forces.

Contract will expire June 30, 1983.

22. Award of Contract - Airport Contract No. 1226 Detention Pond - Industrial Waste Treatment System - Piombo Corporation - \$363,650.00

NO. 82-0084

Proposed resolution awarding Contract No. 1226, Detention Pond - Industrial Waste Treatment System to Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002 in the amount of \$363,650.00

Bids received on March 23, 1982:

<u>Bidder</u>	<u>Bid Amount</u>
1. Piombo Corporation	\$363,650.00
2. R & D Watson, Inc.	\$373,450.00
3. The Quico Corporation	\$413,176.29
4. Johnson Western Gunite Co.	\$494,900.00
5. Branaugh Excavating, Inc.	\$518,345.00
6. Wagner-Levine, Inc.	\$550,790.00
7. Homer J. Olsen, Inc.	\$579,323.00

23. Award of Contract 1318A - Parking Lot Improvements at Airport Public Service Building - \$70,690.00

NO. 82-0085

Resolution awarding Contract 1318A, Parking Lot Improvements at Airport Public Service Building, to O'Grady Paving Inc., in the amount of \$70,690. The budget for the recommended



work is \$80,000.

24. Assignment of Concession Agreement for Operation of Automobile Rental Service.

NO. 82-0086

Resolution consenting to assignment of Trans Rent-A-Car Concession Agreement for operation of automobile rental service, dated April 20, 1979 to Greyhound Rent-A-Car.

25. Tenant Improvement: TWA Plot 3- Industrial Waste Connection. T-2633 - \$25,000.

NO. 82-0087

Resolution approving the plans and specifications submitted by Trans World Airlines, Inc., for installing an industrial waste connection from Plot 3 to City's industrial waste pump station "A".

All work to be done at TWA'S sole expense and with no rental credit.

26. Tenant Improvement: Union Oil/PSA Plot 3 - Jet Fuel Loading Modification. T-2626 - \$40,000.

NO. 82-0088

Resolution approving the plans and specifications submitted by Union Oil/Pacific Southwest Airlines for modifications to their jet fuel bottom loading facility at Plot 3.

All work to be done at Union Oil/PSA's sole expense and with no rental credit

\* \* \*

Commissioner Coblenz suggested that a special meeting be held to discuss Valet Parking and Principal Concessionaire; time and date to be designated.

#### AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following items were unanimously adopted.

20. Central Terminal Concession Development Plan

Six separate resolutions approving general locations of concessions for:

A. Non-Discretionary Concessions:

NO. 82-0079  
NO. 82-0080  
NO. 82-0081

1. Food and beverage services  
3. Foreign currency exchange  
4. Other non-discretionary concessions.

NO. 82-0082

B. Service Concessions (bank, lockers, hotel/motel board(s), vending alcoves, luggage carts, military



assistance area, passenger service center, shoe shine stand(s).

The following items were put over.

20. Central Terminal Concession Development Plan.

- A(2) Duty-Free /in-bound merchandizing
- C. Discretionary Concessions  
(Principal concessionaire)

\* \* \*

Commissioner Fleishell, referring to the March 25, 1982 letter to Mr. Turpen from J-PARK indicating their election of officers, asked why we were not at that meeting since the airport is a major contributor to J-PARK.

Mr. Garibaldi, General Counsel for the airport, said there was a representative there.

Commissioner Fleishell said he had received a memo indicating that a police officer would be the representative. He felt that an auditing person might be a better choice.

\* \* \*

H. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*

J. ADJOURNMENT TO GO INTO CLOSED SESSION.

There being no further business before the Commission the meeting was adjourned at 3:20 PM. and went into closed Session.

\* \* \*

  
Jean Caramatti  
Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Wednesday, April 14, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Director's Reports		1
	1.	West of Bayshore		1
	2.	Marriott Hotel		1
	3.	Valet Parking		2
D.		Agenda Items Involving Major Policies or Operational Decisions.		2
	4.	Airline Motor Coach Service Agreement		2
	5.	Selection Bond Counsel	82-0090	2
	6.	Central Terminal Concession Development Plan		3
		A. Duty Free/In-Bond Merchandise	82-0091	3-5
		B. Discretionary Concessions	82-0092	3-5
J.		Adjournment to go into closed session		5



Minutes  
OF THE  
SPECIAL MEETING  
OF THE  
AIRPORTS COMMISSION

WEDNESDAY APRIL 14, 1982

A. CALL TO ORDER:

The special meeting of the Airports Commission was called to order at 9:30 a.m., in Room 2C, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:	Commissioners Morris Bernstein, William K. Coblenz, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell
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\* \* \*

C. DIRECTOR'S REPORTS:

1. West of Bayshore

Mr. Turpen, Director of Airports, met with Cal Trans last Monday regarding the interchange. Cal Trans indicated that there would be four segments to the project: (1) connection of 380 to the Airport; (2) connection of Airport to 380; (3) completion of the roadway at San Bruno Avenue leading down to the maintenance base area; and, (4) at grade connection and the cross-over connection to the West of Bayshore property. The first three phases are funded. The first phase is anticipated for 1983-84; second phase, 1984-85; third and fourth phases, 1985-86. Mr. Turpen will keep the Commission advised.

2. Marriott Hotel

Mr. Turpen said that on Monday the Burlingame Planning Commission considered an application for construction of the Marriott Hotel in an area approximately 2900 feet from our runway. Mr. Turpen described the hotel as being 127 ft. above grade, with 4 towers and 1300 rooms. The Airline Pilots Association, Air transport Association, and the Airport attended the meeting to oppose the height of the facility. The Planning Commission approved the hotel by a 4-3 vote. This decision can be appealed to the Burlingame City Council. In addition, a request for reconsideration, similar to the one for the Plaza Bay Hotel, can be made to Administrator Helms of the FAA.

Yesterday (Tuesday, April 13) Mr. Turpen met with representatives from FAA Western Region, ALPA, ATA, two observers from Burlingame and airport staff; he proposed that the Planning Commission postpone their actions for two weeks in order to have time to meet with the interested parties and come to some consensus. Unfortunately this did not happen. Commissioner Coblenz suggested that our congressional delegation be advised, and request their cooperation. In addition, he suggested that the City of Burlingame and any other municipality be put on notice of the potential liability they will have in the event of any accident and our intention to file a cross complaint against them for any noise which is the result of the action they take.

Commissioner Bernstein asked about the FAA's reasoning.

Commissioner Fleishell said that the Airport wrote to the FAA over a month ago and he asked what had been done.



Mr. Turpen replied that the Airport had been in contact with the FAA in Washington and hoped for a positive response to our request for reconsideration in the near future.

Commissioner Kadish asked if the two FAA participants gave any indication that they might be helpful in this.

Mr. Turpen replied that they were not in a position to do anything with respect to reconsideration; that is at the discretion of the administrator.

Commissioner Kadish asked when construction can be expected to start?

Mr. Turpen replied that there has been some indication from Millbrae that the developer would not come in for his permit until later this year. The developer of the Marriott indicated that he would like to get started in September or October of this year. Mr. Turpen hopes that the FAA will offer some kind of indication within the next 30 days as to whether they plan to reconsider our petition or not.

Commissioner Kadish asked if a personal contact in Washington would assist in moving the FAA ahead on this and if so the Commission should authorize the Director to see to it that that personal contact be made.

The following item was unanimously adopted as amended.

3. Valet Parking

NO. 82-0089	Resolution approving the continuation of Valet Service.
-------------	---

Commissioner Kadish asked that there be a revision amendment to the motion in which a final resolve is added calling for an appropriate increase, approved by the Commission, if monthly reports indicate that valet parking is not operating at a certain level.

\* \* \*

D. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following item was put over.

4. Airline Motor Coach Service Agreement	Resolution inviting bids for Award of Airline Motor Coach Service Agreement for a term of ten (10) years.
--	---

The bid item is dollar amount to be paid per deplaned passenger with minimum annual acceptable bid figure being \$100,000 a year.

The following item was unanimously adopted.

5. Selection Bond Counsel.

NO. 82-0090	Resolution indicating that both Orrick, Herrington and Brown, Wood are acceptable to the Airport staff as bond counsel.
-------------	---

Commissioner Coblenz moved that the firm of Orrick, Herrington and Sutcliffe be chosen as bond counsel. Commissioner Kadish seconded the motion.



## 6. Central Terminal Concession Development Plan

The following item was unanimously adopted

Resolutions approving  
Central Terminal Concession  
Development Plan for:

NO. 82-0091

A. Duty Free/In-Bond  
Merchandise

The following item was adopted by a 4-1 vote with Commissioner Bernstein casting the dissenting vote.

NO. 82-0092

B. Discretionary Concessions  
1. Principal Concessionaire

The following resolution was put over

### 2. Game Room Concession

Mr. Turpen said that this is the remaining portion of the package that was presented at the last Commission meeting. At that meeting, three alternatives were offered. Management contract with a charter change. This, however, is not practical at this time. Continuation of the in-house approach i.e., Airport Property Managers, or, selection of a principal concessionaire, whose responsibility it would be to develop approximately 10,000 square feet of retail space.

Staff recommends the principal concessionaire for two reasons: (1) if the Commission wishes to open concessions on time in the Central Terminal then this is the best way to go, (2) it offers us the opportunity to fulfill a secondary objective, i.e., developing a viable small business enterprise program.

Mr. Turpen asked Skip Conrad, Airport Property Management Staff, to brief the Commission.

Skip Conrad said that at the last meeting the Commission approved the general location of all the concessions on both levels of the Central Terminal and the connectors with the exception of the retail mall area. There is approximately 9,000 square feet of usable space on each side of the mall. We have attempted to allocate space for the purpose of bidding and subsequently for providing lease and bid specifications for your approval at a later date.

Mr. Conrad described the suggested allocations for the Duty Free concession and the principal concessionaire recommendation.

Mr. Conrad indicated that there were 2 resolutions being considered: (1) approval of duty free space and authorization to prepare bid specifications and duty free lease; (2) approve concept of principal concessionaire and authorize staff to proceed with bid specifications and principal concession lease which would be limited to major retail.

Commissioner Bernstein questioned Mr. Conrad on space allocation and objected to the amount of space being set aside for warehousing.

Commissioner Kadish agreed with Commissioner Bernstein, indicating that when you are limited to under 10,000 square feet it is essential that the majority of that space be utilized for retail and not warehousing.



Mr. Conrad said that after communicating with three concessionaires dealing with duty free operations Dobb's House, Aeroplex and Duty Free Shoppers) he found that due to the type of duty free operation that is envisioned it is necessary that there be adjacent support space for the concession to adequately function. An essential factor is to get the goods to the gate in a minimum amount of time.

Commissioner Fleishhell questioned the location of security, indicating that passengers would not go through security to get their boarding pass and then go through security again to shop.

Mr. Turpen responded that security had been moved to the back of the mall so that passengers no longer go through security before they go through the mall and that there is another duty free opportunity after they go through security.

Commissioner Coblenz questioned the size of the foreign currency exchange space allocation and that possibly outside assistance should be sought (i.e. banks or foreign exchange companies) He also wanted to know who would prepare the lease and bid specifications for a principal concessionaire and, again, would outside assistance be sought?

Mr. Turpen replied that he understood the Commissioner's concerns in terms of seeking outside assistance; that we would have to investigate this; that there is one firm, that he knows of, who has had some experience in developing specifications for principal concessionaires.

Commissioner Kadish responded that she was sure there were more.

Mr. Turpen said he was sure there were others but we are not familiar with them.

Commissioner Goosby asked if the duty-free operators were satisfied with the amount of storage space allocated to them.

Mr. Conrad replied that some had asked for more space.

Commissioner Goosby asked what the reasoning was behind the removal of the game room from the principal concessionaire?

Mr. Conrad replied that there were two reasons for this: (1) it was our impression that the principal concessionaire would be a retail merchandizing operation only; (2) the proximity of location. The game room could be included under the principal concession if the Commission wished.

Commissioner Bernstein questioned Mr. Conrad on duty free support space.

Mr. Conrad said that our plan did not call for including the \$8.67 (per square foot rental of support space) as a separate part of the lease, though it could be done. The basic reason for not doing it was that we were attempting to enhance the amount of money that would be coming to the City, and by including the support space in the bid for the leases we thought we might be able to sweeten the leases sufficiently so that the proprietor might not have to go out and rent support space at an additional cost above and beyond the bid.

Mr. Conrad said that it was our intent that if the concessionaire wanted to maximize his operation with a larger retail area he has the option of having no support there. The lease would require that a minimum of 4,000 feet be devoted to retail space. If the duty free operator chose to go with 5,000 feet, or all of the space, that would be up to him.



Commissioner Kadish said it was all well and good if we adopt the principal concessionaire arrangement today, however, how the criteria for operation will be developed and who will develop it must be sharply and clearly defined and made a part of the resolution.

Commissioner Goosby said that it was his assumption that this would come back to the Commission; that he would not be ready to enter into this until he saw what assurances the Commission would receive that it would have minority involvement, that there were a certain amount of women involved, what guarantees would be offered that we would have some control in what the concessionaire does; that we can control the level and quality of service. He is passing this with the assumption that the Commission would read the document in great detail.

Mr. Turpen said that this simply approves in principle and authorizes staff to begin the development of principal concessionaire documentation to be brought before the Commission prior to bidding to ensure that that documentation is reflective of the Commission's desires.

Regarding Commissioner Coblenz' concern as to whether this would be done in-house or whether we would seek outside assistance, Mr. Turpen replied that he would like to leave that open, at least until the next commission meeting, so that he and staff had the chance to take a look at exactly how it should be done. To see what comfort level there is with staff trying to work directly with the Commission in developing these specifications as opposed to introducing a third party.

Mr. Turpen said that if the Commission was favorably disposed to the principal concessionaire alternative the staff will, with all haste, develop a skeleton set of specifications and provide them to the Commission directly so that the Commission can begin review of an outline-type set of specifications which would help staff and the Commission get an understanding of the controls and the degree to which we want to specify the principal concessionaire. I think once the information that is presently available at the Airport is made available to the Commission, you might be more comfortable with going ahead with staff development of this package.

Commissioner Bernstein reiterated his opinion that you dont use one-third of your retail space for warehousing.

Commissioner Kadish moved the Principal Concessionaire resolution with the understanding that a report be sent to the Commission for approval.

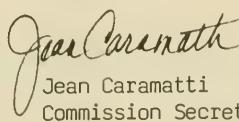
Commissioner Bernstein stated that he as opposed to the principal concessionaire idea and would vote no.

Commissioner Goosby stated that he was opposed to the removal of the game room from the package and asked that his opposition be noted in the minutes.

#### F. ADJOURNMENT TO GO INTO CLOSED SESSION.

There being no further calendared business before the Commission the meeting was adjourned at 10:45 a.m. and went into Closed Session.

\* \* \*

  
Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, May 4, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Adoption of Minutes		1
D.		Director's Report		1
1.		Small Business Enterprise Policy - Written Report		1-3
2.		S.F.I.A. Medical Clinic- Termination of Contract on June 30, 1983 - Written Report		3
E.		Items Initiated by Commissioners		3-5
F.		Agenda Items Involving Major Policies or Operational Decisions.		
3.		Airline Motor Coach Service Agreement		5
4.		Contract 1200B (3), Boarding Area D, Modification No. 7. Terrazzo Feature Strips at Boarding Area D - \$88,611	82-0096	5
G.		Consent Calendar of Routine Administrative Matters		5
5.		Airport Contract No. 1204 - Firehouse No. 1 Substitution of Subcontractor.	82-0097	5
6.		Airport Contract No. 1421 - Addition to Fire Station No.2 Substitution of Contractor.	82-0098	5-6
7.		Bid Call - Contract No. 1452 480 V Service to FAA 19L Middle Marker	82-0099	6
8.		Tenant Improvement: United Airlines Maintenance and Operations Center - Acid Waste Line Renovation Building 84 - T-2639 - \$50,000.	82-0100	6
9.		Tenant Improvement: United Airlines Maintenance and Operations Center Storage and Retrieval System. T-2636- \$2,269,000.	82-0101	6
10.		Amendment No. 2 to Signet Testing Laboratories, Inc. Professional Services Agreement to Include Testing Services for Contract 1200B (4) Central Terminal		



	Remodeling, and Contract 1200, Terminal Connectors - Maximum Not to Exceed Fee: \$150,000.	82-0102	6
11.	Approval to Send Staff Member to AOCI Conference	82-0103	7
12.	Approval of Travel for Elsa Cameron, Chief Curator, to Attend American Associating Art Museum Conference.	82-0104	7
13.	Hazardous Materials Course - June 1 Thru June 11, 1982, Request to Send Three Airport Employees.	82-0105	7
14.	CSTI Earthquake Response Course May 17 thru 21, 1982, Request to Send Three Airport Employees.	82-0106	7
I.	Adjournment to go into closed session		8



Minutes  
of the  
Airports Commission Meeting

May 4, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m. in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:

Commissioners Morris  
Bernstein, William K.  
Coblentz, Ruth S. Kadish,  
Z.L. Goosby, J. Edward  
Fleishell

\* \* \*

C. ADOPTION OF MINUTES:

By order of the Commission President the minutes of the April 6, 1982 Airports Commission meeting were adopted.

\* \* \*

D. DIRECTOR'S REPORTS:

(1) Small Business Enterprise Policy - Written Report.

Memorandum outlining present  
small business Enterprise  
Policy and soliciting  
Airports Commission input on  
possible revisions.

Mr. Turpen, Director of the Airport, asked Mr. Skip Conrad, Airports Property Manager, to speak.

Mr. Conrad explained that the financial experience for small businesses was \$5 million for more than one person and \$2 million for one person. The thought is to redefine it to \$2 million and \$500,000. Mr. Conrad asked for the Commission's recommendations.

Commissioner Coblentz asked if the newsstand was included in the discretionary retail concession.

Mr. Conrad replied no; that the newsstand was a mandatory or non-discretionary concession.

Commissioner Coblentz said that when you put in "not less than 25 percent" that that is a quota, a constraint; he cannot go along with that. He could go along with saying "up to 25 percent" which would leave us some discretion and not box us in.

Commissioner Bernstein asked that if you used "up to 25 percent" what would stop someone from making it one percent? He thinks it should be 25 percent, perhaps even more.

Mr. Turpen said that the wording can be amended to read a "goal of 25 percent". If the staff deviated from that goal for whatever reason, whether it be because of the physical constraints of the facility or anything else that might occur, the matter will have to come back before the Commission with an explanation of why there might be a deviation or failure to meet the goal that has been established.



Commissioner Kadish said that a quota says that you must get 25 percent even if the business does not show competence or promise of success. Our principal concern is that decision should not be made on any other basis than a good business basis. It has consistently been the expression of this Commission that there be small business enterprises; that small business enterprises be given every opportunity, and we spoke in terms of 25 percent. I have never heard an expression that there should be a quota per se; that if we name a goal of 25 percent within the parameters of good business judgment, it is perhaps a semantic difference but it still does not get us into the tag of quotas.

Commissioner Goosby said that at the time the Commission thought that it could legally attempt to get more minority participation in the concessions by having the minority bidders bid against other small business people. In view of the continued strides we are trying to make, a goal of that amount would tend to serve the need.

Commissioner Goosby said, in response to a comment made by Commissioner Kadish, that a quota does not infer that you are going to select inferior people to fill it; it means that you will look farther afield in order to meet the standards that you have set.

Commissioner Coblenz moved the adoption of resolution 80-0254 with the deletion of the words "not less than", to be replaced by "a goal of 25 percent".

Commissioner Coblenz asked that Resolution 80-0282 be amended to reduce the amounts from \$5-million to \$2-million and from \$2-million to \$500,000.

Commissioner Bernstein asked where staff got those figures.

Mr. Conrad said that staff surveyed various small business criteria used by the state and federal governments and found that they used \$7-million for small business. We have reduced that amount, but it has proven to be somewhat high and unrealistic so staff recommends that it be reduced further.

Commissioner Bernstein asked if staff had checked with Dun and Bradstreet.

Mr. Conrad replied that they had checked with the federal and state governments.

The following resolutions were adopted, as amended, by a 4-1 vote with Commissioner Bernstein casting the dissenting vote.

NO. 82-0094

Resolution adopting a goal of up to 25 percent, on a square footage basis of discretionary retail concession space; and rescinding Resolution 80-0254.

NO. 82-0095

Resolution adopting definitions of Discretionary Retail Concessions, Small Business Enterprise; and rescinding Resolutions 80-0282 and 81-0030.

Commissioner Goosby said he hoped that the Commission would receive 2 or 3 alternative goals rather than just a 10 or 15 percent goal.

Mr. Turpen said that staff was working on the skeletal framework of the dual criteria, and will get that to the Commission by the end of the week.

Commissioner Kadish asked that the Commission receive on-going developmental reports rather than just the final documents. In that way the Commission will be part of the process and the final product will have been arrived at mutually.



Commissioner Kadish also asked that when documents are received from outside consultants that they be immediately forwarded to the Commission prior to there being digested by staff.

2. S.F.I.A. Medical Clinic - Termination of Contract on June 30, 1983 - Written Report.

Memorandum detailing existing provisions of S.F.I.A. Medical Group's agreement with Airport, including termination date of June 30, 1983 and Commission's directive to publically bid the contract.

Mr. Turpen said this is a Director's Report to review an action taken by the Commission on April 1, 1980 in which the Commission asked that the Director to put the Medical Clinic operation out to bid in time so as not to cause a disruption in service to the Airport. The existing contract expires on June 30, 1983. It is his recollection that the Commission's intention was to pursue this on a professional services basis due to the desire for quality care and not just financial considerations. If the Commission agrees he will proceed with the development of a request for proposals for a professional services agreement for medical services at the Airport which would be developed in time to put it in operation by July 1, 1983, a date which coincides with the opening of the Central Terminal.

Commissioner Coblentz agreed with Mr. Turpen.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS.

Commissioner Fleishell said that in 1980 Congress passed a law providing in part that if an Airport adopts a noise map and files it no claims may be asserted for financial recovery against the Airport. Has the map been filed, and, if so, when?

Mr. Don Garibaldi, Airport General Counsel, said that it was his understanding that the Airport has not filed its map but is preparing one to be filed. That law has been called to the attention of the Noise Abatement Center at the Airport and it was suggested to them that it be filed as soon as possible.

Commissioner Coblentz asked that a report be given as to what's been done on this by the next meeting.

Mr. Turpen said a report would be given on May 18.

Commissioner Fleishell said that in the last several years there has been an increase in the number of litigations filed against airports throughout the country as a result of alleged violations of anti-trust laws. Up to this time there has been some question as to the liability of cities for damages. The Boulder Creek case established the fact that a city may be liable. What steps are we taking to immunize this City against the effect of that decision?

Mr. Garibaldi replied that we are gathering the legislation that has been adopted in other states and will modify it to suit our purposes and will submit it to our state legislature as a proposal to be adopted. Prior to going to the legislature it will come before the Commission.

Commissioner Goosby said that over the past week considerable concern has been expressed by the Skycap service and some of the



airlines trying to cut their cost. He met with the Station Manager of Delta on Friday and with the Union Representative of Skycaps. There is some concern because there is no contract and Skycaps are operating on a month to month basis. They are being approached by Allied Aviation, their employer, and informed that they may have to revise their working conditions, and fringe benefits. It is a Commission policy that people who do business at the Airport must pay prevailing wages and fringe benefits. There is concern that this policy is being violated. In addition, there is a concern that this would impact service to the public by Skycaps handling of baggage. Three airlines have told Allied that they are withdrawing from the arrangement and they are looking around for another agent to service them. Our present policy, drafted in the 1940's says we will have one person negotiating with the airlines to handle baggage unless the airline's approach the Commission and ask to permit another negotiator to come to the Airport. This would require a policy change. Commissioner Goosby asked that the following motion be put into the record:

MOTION:

The Director initiated a review of the Airlines Skycap-Allied Aviation negotiations to see that the Commission policies are not being violated and that our responsibility for providing proper service to the traveling public will not be undermined or compromised. If he finds that either policy violation may occur or passenger service lessened that he report back to the Commission by our next regular meeting with his recommendations.

Commissioner Coblenz agreed with Commissioner Goosby but cautioned that we should not get involved in the collective bargaining process.

Mr. Turpen said he would report back at the May 18th meeting.

Commissioner Kadish said that at the April 6 meeting the Commission asked for some information as to what revenues were generated in a certain department, and were given a particular figure. Shortly thereafter a memo was sent to the Commission which indicated that that figure was for gross revenues and not net revenues and the difference was tremendous. She asked that in the future there be clarifications to that effect.

Commissioner Kadish said that a couple of years ago the Commission adopted a policy which said that any personal services contract, \$10,000 or over, was to be reported to the Commission. There have been several instances when a personal services contract was initiated for \$5,000 and six-months later had been augmented by an additional \$5,000. Commissioner Kadish asked that this be monitored more closely.

Commissioner Bernstein asked about the Parking and Revenue Control Feasibility Study that was received yesterday. What is the procedure?

Mr. Turpen said that was the CERAND report that came to the Airport on April 5. He is investigating why it took so long to get to the Commission. The report made a number of observations that should be reviewed by staff within the next week or so and provide the Commission with staff commentary on the observations and, if there are some problems, to provide the Commission with a course of action we would want to take. My understanding is that it requires further study and some equipment.



Commissioner Bernstein said he asked for a report on the activities of various departments; that he did not receive what he had asked for; that he has discussed this with the Mayor. He would like a memo on how much a management audit or work audit would cost and who would do the most effective job.

Mr. Turpen asked if by work audit Commissioner Bernstein meant work content audit or general audit of the Airport?

Commissioner Bernstein said he wanted to know what some of the departments are doing and how they're doing it.

Mr. Turpen said he could provide Commissioner Bernstein with job descriptions.

Commissioner Bernstein said he would like both the job description and the audit. He would like to take Property Management first.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following item was put over.

3. Airline Motor Coach Service Agreement

Resolution inviting bids for Award of Airline Motor Coach Service Agreement for a term of ten (10) years.

The bid item is dollar amount to be paid per deplaned passenger with minimum annual acceptable bid figure being \$100,000 a year.

The following items were unanimously adopted.

4. Contract 1200B(3), Boarding Area D, Modification No. 7.  
Terrazzo Feature Strips at Boarding Area D - \$88,611.

NO. 82-0096

Resolution approving a Modification to provide about 11,000 square feet of terrazzo feature strips in certain areas of Boarding Area D in order to coordinate the design with adjacent spaces in Central Terminal.

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

The following items were unanimously adopted.

5. Airport Contract No. 1204 - Firehouse No. 1  
Substitution of Subcontractor.

NO. 82-0097

Resolution approving the substitution of Jung Kin Corporation in lieu of B. Fontana & Sons, Inc. to perform the engineered fill under Contract No. 1204. The general contractor for this work is Paxton Construction Company.

6. Airport Contract No. 1421 - Addition to Fire Station No. 2  
Substitution of Contractor.



NO. 82-0098

Resolution approving the substitution of Aire Sheet Metal Corporation in lieu of B.B. Stern Company to perform the mechanical work under Contract No. 1421. The general contractor for this work is E & R Metal Buildings, Inc.

7. Bid Call - Contract No. 1452  
480 V Service to FAA 19L Middle Marker

NO. 82-0099

Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1452, 480 V Service to FAA 19L Middle Marker.

The purpose of this contract is to replace the existing deteriorated 4160 volt feeder to the FAA 19L Middle Marker and Shell Dock with a new 480 volt service from the Water Quality Control Plant.

Construction time is 90 calendar days.

8. Tenant Improvement: United Airlines Maintenance and Operations Center - Acid Waste Line Renovation Building 84 - T-2639 - \$50,000.

NO. 82-0100

Resolution approving the plans submitted by United Airlines for the renovation of existing acid waste line in Building 84. No rental credit.

9. Tenant Improvement: United Airlines Maintenance and Operations Center Storage and Retrieval System. T-2636 - \$2,269,000.

NO. 82-0101

Resolution approving the plans and specifications by United Airlines for the installation of a storage and retrieval system. No rental credit.

10. Amendment No. 2 to Signet Testing Laboratories, Inc. Professional Services Agreement to Include Testing Services for Contract 1200B(4) Central Terminal Remodeling, and Contract 1220, Terminal Connectors - Maximum Not to Exceed Fee: \$150,000.

NO. 82-0102

Consultant to perform testing and laboratory work for pre-cast concrete, pour-in-place concrete, asphaltic concrete, soil compaction, fire-proofing, and structural steel fabrication and welding for Contracts 1200B(4) and 1220.



11. Approval to Send Staff Member to AOCI Conference.

NO. 82-0103

Resolution authorizing Deputy Director of Operations, Roy S. Samuels, to attend AOCI International Affairs Committee meeting May 10-12, 1982 in Montreal, Canada.

12. Approval of Travel for Elsa Cameron, Chief Curator, to Attend American Associating Art Museum Conference.

NO. 82-0104

The American Associating Art Museum Conference will be held in Philadelphia from June 27 to June 29, 1982.

The Airport should be represented at this major conference, in order to maintain credibility and prestige as an installation site for exhibitions. In addition, contracts are made at this event for all traveling exhibitions. Future programming depends on having a representative attend.

It is requested that Elsa Cameron, chief curator, be sent to the conference, and then on to Washington, D.C., to complete negotiations on the exhibition American Porcelain, and afterwards, on to New York to investigate exhibitions The Arts of Kenya, Oceanic Art and Great American Sports Heroes.

13. Hazardous Materials Course - June 1 Thru June 11, 1982, Request to Send Three Airport Employees.

NO. 82-0105

Resolution authorizing three Airports Commission employees to attend the California Specialized Training Institute's Hazardous Materials course in San Luis Obispo, California from June 7 thru June 11, 1982, and \$1,158.50 for tuition and expenses.

14. CSTI Earthquake Response Course May 17 thru 21, 1982, Request to Send Three Airport Employees.

NO. 82-0106

Resolution authorizing three Airports Commission employees to attend the California Specialized Training Institute's Earthquake Response course in San Luis Obispo, California, and authorizing expenses of \$1,158.50 for tuition and related costs.

\* \* \*



Mr. Wiliams asked to speak before the Commission on Skycaps. He was told that that item would be taken up at the next meeting by way of a Director's Report to the Commission.

\* \* \*

I. ADJOURNMENT TO GO INTO CLOSED SESSION.

There being no further calendared business before the Commission the meeting adjourned at 2:45 P.M. and went into Closed Session.

\* \* \*

*Jean Caramatti*  
Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION

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## MINUTES

SPECIAL MEETING  
Tuesday, May 11, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Agenda Items Involving Major Policies or Operational Decisions.		1
1.		Approval of Airport-Airline Lease and Use Agreement		1-3
E.		Adjournment		3



Minutes  
of the  
Airports Commission Special Meeting

Tuesday, May 11, 1982

A. CALL TO ORDER: The special meeting of the Airports Commission was called to order at 8:30 a.m. in Room 2C, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present: Commissioners William K. Coblenz,  
Ruth S. Kadish, Z.L. Goosby, J.  
Edward Fleishell

Absent Commissioner Morris Bernstein

\* \* \*

C. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following item was unanimously approved.

1. Approval of Airport-Airline Lease and Use Agreement

NO. 82-0109	Resolution approving leases of terminal space to:
NO. 82-0110	Air California
NO. 82-0111	Air Canada
NO. 82-0112	American Airlines, Inc.
NO. 82-0113	Braniff Airways, Inc.
NO. 82-0114	British Airways Board
NO. 82-0115	Canadian Pacific Air Lines, Ltd.
NO. 82-0116	Delta Air Lines, Inc.
NO. 82-0117	Eastern Air Lines, Inc.
NO. 82-0118	Japan Airlines Co., Ltd.
NO. 82-0119	Lufthansa German Airlines
NO. 82-0120	Northwest Airlines, Inc.
NO. 82-0121	Pacific Southwest Airlines
NO. 82-0122	Pan American World Airways, Inc.
NO. 82-0123	Qantas Airways, Ltd.
NO. 82-0124	Republic Airlines West, Inc.
NO. 82-0125	Singapore Airlines, Ltd.
NO. 82-0126	Trans World Airlines, Inc.
NO. 82-0127	United Air Lines, Inc.
	Western Airlines, Inc.

in accordance with the terms and conditions of the Lease and Use Agreement approved as to form on August 21, 1981 by Resolution NO. 81-0213

Mr. Paul Van Wert of United Airlines stated that Alaska Airlines indicated that they wanted to be withdrawn from the resolution at this time.

Mr. Turpen, Director of Airports, said that space at the airport will be constrained even after the M & R program has been completed. We do not have the ability to support every airline who wants to come in. During this interim period, Alaska, Continental and several other airlines will be sub-leasing from other carriers; Western and TWA have already committed to this.



Commissioner Coblenz called the commission's attention to the resolutions before them, indicating that Alaska Airlines would not be considered at this time.

Commissioner Fleishell said that he hoped that the Director and President of the Commission would not execute any leases until all leases are signed by the airlines.

John Regan, TWA, stated that that would put the other airlines at the whim of an airline with 2 flights. He asked Commissioner Fleishell if that meant that the Airport would not sign.

Commissioner Fleishell replied no; that the escrow documentation prepared four conditions - one of which covers the possibility of an airline declining to sign. If an airline declines to sign the Commission has the option to move ahead and conclude the litigation and the lease arrangement with all other airlines who wish to sign.

Commissioner Fleishell remarked that he noticed that there was no document that clearly terminated the existing leases of those who sign this lease.

Mr. Garibaldi, Airport General Counsel, replied that the new Lease & Use Agreement amends the existing leases. If an airline holds a permit instead of a lease, the permit will be terminated. This will be done by action of the Director concurrent with the signing of the leases.

Mr. Turpen said that it was his understanding that the Commission desired the Airport to define and negotiate with the remaining airlines any space that might be appropriate to negotiate prior to the final signing of the Lease and Use Agreement.

Commissioner Fleishell said he did not want the City to be placed in the position of having finite rights and obligations with some airlines and yet with others still be in a position of litigation.

Douglas Holmes, Continental Airlines, stated that it was Continental's intention as a non-litigant carrier to execute the settlement agreement, and the Lease and Use Agreement. They have not received documents for execution but as soon as they have been received and particularized for Continental they will execute them. In the meantime, he asks the Commission's assurance that Continental will receive protection with respect to the gate that is currently being subleased from TWA until such time as their own facility is available.

Mr. Turpen replied that TWA has committed two gates for the duration of the M and R program or until such time as the carriers occupying those gates elect, of their own volition, to leave or they are provided space as the Airport completes portions of the M and R program. The two carriers involved, from the Airports perspective, are Air Alaska and Continental Airlines. Whatever financial arrangements Continental makes with TWA is between the two airlines, however, he and the Commission would support Continental should the airline be faced with disenfranchisement.

Mr. Regan confirmed TWA's commitment to Continental. In addition, Mr. Regan indicated that the reason Alaska wants their name deleted from the list of signatory airlines is because they just found out that under the joint use formula their baggage claim expenses, which are now covered in TWA's handling charge, would be directly assessed against them by the City and County of



San Francisco. They did not know that before. This is just a matter of internal review of the document.

Mr. Regan also stated that TWA intended to sub-lease to a third carrier, Pacific Express, starting on June 1st, subject to the Commission's approval.

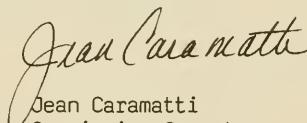
Mr. Turpen praised Jason Yuen, Dorothy Schimke and the staff for the remarkable job they did in negotiating and pulling together all the lease documents necessary to make the target date.

\* \* \*

E. ADJOURNMENT

There being no further calendarized business before the Commission the meeting was adjourned at 8:45 a.m.

\* \* \*



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, May 18, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

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SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ANNOUNCEMENT BY SECRETARY:		1
D.		DIRECTOR'S REPORTS		
	1.	CERAND Report - Written Report		1-2
	2.	Travel Agency Concession Update- Written Report		2-3
	3.	Skycaps - Written Report		3-5
E.		Items initiated by Commissioners		5-8
F.		Agenda Items Involving Major Policies or Operational Decisions		8
	4.	Discontinuance of Airport Contract No. 1321 Janitorial Services Contract - North Terminal.	82-0129	8
	5.	Award of Contract No. 1335 - \$59,440 Emergency Airfield Pavement Repairs, FY 1982-83		8
	6.	South Terminal complex Modernization Program--Conceptual Approval for Reduction in Scope of Work	82-0131	9
	7.	Request Authorization for approval of Issuance of City and County of San Francisco Contract Order Complete with Contract Agreement for Telephone Service.	82-0132	9
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
	8.	Modification No. 1 and Completion of Professional Services Agreement: Stevens-Haag and Associates.	82-0133	9
	9.	Tenant Improvement: PSA Maintenance Facility in American Airlines Superbay Hangar-Plot 40, T-2648, \$95,000.	82-0134	9-10
	10.	Modification No.2 to Professional Services Contract with Farella, Braun and Martel.	82-0135	10
	11.	Contract No. 1466 Bid Call for Asphalt Paving for Firehouse No. 2.	82-0136	10
I.		ADJOURNMENT TO GO INTO CLOSED SESSION		10



Minutes  
of the  
Airports Commission Meeting

May 18, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell
Absent:	Commissioner William K Coblenz

\* \* \*

C. ANNOUNCEMENT BY SECRETARY:

In accordance with the Brown Act, Section 54957.1, Jean Caramatti, Secretary to the Commission, announced the unanimous adoption of Resolutions 82-0107 and 82-0108, authorizing the settlement of litigated claims, at the Regular Meeting of May 4, 1982 and Resolution 82-0128, authorizing the Director to hire an outside firm to conduct a search for a Deputy Director of Business and Finance, at the Special Meeting of May 11, 1982.

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H. CLOSED SESSION:

The meeting adjourned at 2:05 P.M. to go into Closed Session, and was reconvened at 2:15 P.M.

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D. DIRECTOR'S REPORTS:

1. CERAND Report - Written Report

Comments on the information presented in the CERAND Report.

Mr. Lou Turpen, Director of the Airport, said that there would be a full report to the Commission on the CERAND Report on June 1. He called on Mr. Sheldon Fein, Assistant Deputy Director, Landside Operations, to brief the Commission on the CERAND Report.

Mr. Fein said that the report primarily deals with the problems of the revenue control system and recommends changes relating to the system, the procedures and reporting. Several of the statistics in the report are overstated in that during the 3-day report several pieces of equipment were malfunctioning, our



accounting department was in the process of moving from the Central Terminal to the Airborne building and some of the tickets could not be found.

To date 69 different types of problems have been identified that were pointed out in the garage relating to equipment, accounting and operations. A priority program has been set up to go through these problems and at the first meeting of each month an update will be presented to the Commission on where we stand in solving and dealing with each item that was picked from the CERAND Report.

Various airports throughout the county have been contacted that have advanced revenue control systems in their garages. Mr. Fein has talked with their Business and Finance divisions, their garage management division and administrators to find out about their revenue savings, employee time savings, etc. A report on this will be given to the Commission at the June 1st meeting.

Mr. Fein indicated that Mr. Cerand was present and available to answer any questions for the Commission.

Commissioner Kadish asked if before the report was made on June 1st would it be possible to know whether there is some way to tighten up the situation with our equipment.

Mr. Fein replied that the problems have been put into categories which include items that can be handled in-house with changes made on existing equipment; other changes requiring additional or interim equipment; and those problems requiring some type of semi-automated or automated equipment. At least half the items should be taken care of in the next month and will be reported on.

Commissioner Fleishell said that he hoped that Mr. Fein's report will strongly address the inaccuracies made in the CERAND Report; that if a report is to be used as a basis for taking action it should be accurate.

## 2. Travel Agency Concession Update - Written Report.

Memorandum summarizing status  
of travel agencies operating  
from on-Airport locations.

Mr. Turpen said that in October of 1981 a brief report was presented to the Commission on Travel Agencies at the Airport. That report indicated that there was little passenger demand for such a service, limited space availability, and unknown revenue potential. It was decided at that time to defer any action. Since that time staff has polled nearly a dozen U.S. airports and found that there are no plans to place domestic travel agencies at airports. The reasons include a question of demand and duplication of existing concessionaire rights, etc. Unless further information becomes available or interest is expressed by the Commission our research indicates that this item should be held pending further clarification of the potential which might exist with respect to a travel agency at the Airport.

Commissioner Kadish said one of the comments made in the memo to the Commission states that the airport has not received any written inquiries from travel agencies; that that can be easily refuted because anyone from the travel industry who was interested in this item could see that it was on the trailing calendar and would be discussed.

In addition, whether another airport has plans to install or already has a travel agency on the premises is not a criteria on which to make a judgment; that we should make our decision based



on whether or not it would be of value to passengers using our Airport; that is a judgment to be made by this Commission and staff. More information is needed as to how this might be implemented, what value it would be and the kind of business arrangement that could be made. Commissioner Kadish asked if one-month was enough time to piece this together?

Commissioner Kadish said she thought that travel agencies had been installed in two airports; St. Louis was one of them. Those airports could be contacted to see what kind of experiences they have had.

Commissioner Goosby said it was his understanding that travel agencies paid for the privilege.

Commissioner Kadish replied that it is a service that they are rendering and they pay a fee to the airport.

Mr. Turpen said that he felt that a month was too little time to take a conscientious look at this.

Commissioner Kadish suggested that the report be given by the second meeting in July and Mr. Turpen agreed.

Commissioner Fleishell said that in the last year about 11% of the travel agencies have closed. He agreed with Commissioner Kadish that it might be an area where the public would be served. In talking to the second largest travel agency in the area he was told that there is no way they could generate any money in an airport because it is easier and faster to go to a ticket counter that is tied directly into a computer then to go to a travel agent who would have to make telephone calls in order to accomplish the same thing. They expressed no interest in it. The congressional caucus on this subject has lost one-third of its members because of the economics of the industry.

### 3. Skycaps - Written Report

Mr. Turpen asked Pat Gibbons, Airport Staff, to speak.

Mr. Gibbons said that the Airport does not operate a Skycap service but provides space for a contractor, Allied, who provides this service to all airlines except United, TWA, Western, and PSA, who provide their own employees. The other airlines contract with Allied to provide this service.

Allied and the Skycaps have reached an impasse in their negotiations. Allied is trying to delete some of the fringe benefits at the behest of the airlines who employ the Skycaps.

Allied employs 76 Skycaps at the Airport and the airlines employ a total of 55.

Mr. Gibbons said that there is a one skycap rule. Years ago there was concern about having numerous skycap contractors on the Airport; that this might be detrimental to passenger service. For example, if a Skycap was employed by Eastern Airlines they would not help a Delta passenger. So, they are all under the one contractor.

Article 11 of the Lease and Use Agreement gives the airlines the freedom to contract for services. This may conflict with the one skycap rule.

Mr. Gibbons said that Mr. Theusen, attorney for the Skycaps, requested that the Commission enforce the general prevailing rate provisions of a resolution passed in 1980. This prevailing rate provision is not in the Lease and Use Agreement. It would seem that this Contract with that provision would give way to the Lease and Use Agreement.

Commissioner Goosby said that the Lease and Use Agreement is between the Airport and the airlines. Since Allied is doing



business on the Airport they must have a contract with us. If they don't have an agreement with us they're out there illegally.

Mr. Gibbons said that it was his understanding that they have an agreement to lease the space. As to Skycap service, the agreement is between Allied and the airlines.

Commissioner Goosby said that Allied has to have an agreement or permit or some written document with us allowing them to go the the airlines otherwise anyone could go out to the airport and make agreements with the airlines independently of us. Having that permit makes them subject to the policies of this Commission.

They also must conform to the policy that fringe benefits and prevailing rate wages be paid. It is our responsibility to police this. At the last meeting Mr. Turpen was asked to talk to the airlines, skycaps and Allied about the two possible violations of policy, but he did not read anything in the report about prevailing wages.

Mr. Gibbons replied that prevailing wages did not come up until after the report was written. The report discussed the one-skycap rule and whether the public was being adequately serviced by skycaps. He would be glad to get into prevailing wages at a later date.

Commissioner Goosby said that was an official request of the Commission. We cannot ignore what we feel might be a violation of Commission policy. We should compare what TWA, PSA and Western are paying their skycaps with what Allied intends to pay them under th new contract that they are trying to negotiate. What is the situation at Oakland airport?

Mr. Turpen, said the follow-up report would include the prevailing wage and fringe benefit issue and its enforceability, and comparison of wages.

Commissioner Fleishell asked for a copy of the prevailing wage rule.

Mr. Victor Theusen, said that he has been advised that the Commission has never been asked to specifically enforce the rule concerning prevailing rates of salaries, benefits, etc.

Mr. Theusen called the Commission's attention to an article from the Rocky Mountain News in Colorado, found in Mr. Gibbons report. The thrust of the article is that given the competition in the airline industry the skycap services (and a number of other services) are beginning to compete with one another in going to the airports and underbidding one another.

Mr. Theusen said that Mr. Bill Williams, a skycap at the airport for 31 years and an elected representative of the skycaps, was informed by Allied in the first negotiating session with the union, that the company's proposal was to eliminate every benefit that has been negotiated since 1963. The union objected to the proposal the next day but on May 5 Allied implemented that proposal and took the benefits away anyway. That is a violation of the National Labor Relations Act and the union has taken steps to overturn that action.

Mr. Theusen encouraged the Commission to take action to advise Allied to conform immediately to the Commission's prevailing wage policy. As of the day that Allied took action to take away benefits that had been negotiated Allied was not paying



prevailing rates as established by other contracts at the airport. They were the lowest paid skycaps at the airport then. Allied has told Mr. Williams that his 60 or 65 days of sick pay accumulated over 31 years is gone; that all pension contributions are gone; that he may take vacations, but without pay.

Mr. Theusen asked the Commission to pass a motion instructing staff to communicate immediately with Allied directing them, pursuant to the prevailing wage policy, to restore the benefits that existed on May 1, and to do so retroactively and immediately or to show cause to the Commission why they can't. He can provide the Commission with a list of the benefits. The union would like negotiations to continue but there has been no meeting since April 29. It will take the National Labor Relation's Board 3-4 months to resolve this matter. In the meantime the skycaps are going to suffer.

Commissioner Kadish asked Mr. Garibaldi if research was needed to determine whether there has been an infraction of their agreement with us?

Mr. Garibaldi said that has to be looked into, but he is also concerned that the NLRB jurisdiction has been invoked and there is a question as to how far we can go.

Commissioner Kadish asked that those two matters be investigated and that there be monitoring as to whether the policy of this Commission has been violated and, if so, that staff immediately do something about it.

Commissioner Goosby said that that Commission should be in a position to take the action that Mr. Theusen recommended at the next meeting in June. Staff and the City Attorney has to ascertain and establish to their satisfaction that the prevailing rates of salaries and benefits are not being used. On that basis they can make a recommendation.

Commissioner Kadish commented that when people's lives and jobs are at stake we must act quickly.

Commissioner Goosby said our policies should be enforced; that the integrity of the Commission is at stake.

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#### E. ITEMS INITIATED BY COMMISSIONERS

Commissioner Fleishell said the Airport receives 50 percent of all traffic fines and levies coming from the Airport. Months ago the traffic fines were increased, partly due to the assumption that J PARK would go into effect. J PARK is the joint powers operation between a number of cities in the county of San Mateo and the Airport that provides for the retention of outside assistance in processing parking tickets. We pay \$1.50 per ticket and the balance goes to the Airport. J PARK is not moving ahead and we have created a windfall for San Mateo County. Staff should look at the possibility of going to the legislature and modifying section 42203 of the vehicle code so that instead of getting 50% we would get 80%. San Mateo would continue to receive what they always have but they would not have the benefit of all the work that we put into it. Commissioner Fleishell suggested that Mr. Turpen look into it if he felt it appropriate.



Commissioner Goosby said that staff was very prompt in getting the draft of the principal concessionaire agreement to the Commission. He asked when this would be discussed in the form of a Director's Report so that the Commission could give its input.

Mr. Turpen said that it would probably be the second meeting in June.

Commissioner Kadish asked if it would not be valuable to discuss this on the basis of the outline that they have before the final document was prepared.

Mr. Turpen said that the outline would be submitted as a Director's Report.

Commissioner Goosby said that 10,000 square feet of concession floor space includes the support space and that means that only about 9000 or 9500 square feet will be divided among concessions. He feels that 15% for minority participation is not enough and hopes that the Commission would raise it to 20 or 25%; that this is a goal and not a quota.

Commissioner Bernstein asked about Braniff.

Mr. Turpen said that Braniff paid the Airport about \$250,000 in 1981. They have an outstanding amount but it is not past due; it's a question of invoicing and receiving the money. It is his understanding that the amount has been forwarded to the Airport and we are monitoring it to be sure that we receive it.

Commissioner Bernstein asked if a trustee had been selected.

Mr. Turpen replied no; that the Bank of America is still acting as bond trustee.

Commissioner Bernstein said that he had received a letter from staff recommending a bond trustee. He made it clear that the Commission would make that decision.

Commissioner Fleishell said that some months ago he forwarded a schedule of fees prepared by the Crocker Trust Department and asked that an analysis be made of those fees as compared with the Bank of America's fees. He has never had any response. Commissioner Fleishell had also asked for a breakdown of the last annual charge of fees from the Bank of America. Included in that was a \$9600 charge for legal expenses and he didn't know what that was for.

Commissioner Bernstein asked for a monthly statement explaining what the fees are for.

Mr. Garibaldi said that bills are submitted with a complete breakdown and that he reviews them.

Commissioner Bernstein asked if any response has been received on the taxi proposal.



Mr. Turpen said that he has not received a response to that letter.

Commissioner Bernstein asked about a letter dated April 15 to Commissioner Kadish regarding graphics.

Mr. Turpen said that that letter refers to an agreement that has been developed with Communigraphics for the development of the parking/transit guide that the Airport puts out annually with updates based on the relocation of the airlines, etc. This is for design of those guides.

Commissioner Kadish recommended and the Commission unanimously agreed, that a correspondence item be added to the calendar so that any question relating to correspondence can be taken up under that item.

Mr. Turpen said that it would appear on the next calendar.

Commissioner Fleishell said that he had received a letter dealing with funding the Roundtable in San Mateo County; that it was his understanding that it was the position of the Commission that we would not fund it. If we are going to participate in the funding then there should be approval from the Commission.

Mr. Turpen said that the letter was sent as an item of information and he would not make a commitment without the Commission's approval; that he did not have the authority.

Commissioner Kadish said that there should be an item of policy relating to this on the calendar. Commissioner Kadish sat on that committee for 2 years; that there are many factors involved; that there may have to be a reassessment; that we should not back down from cooperating with those elements on the Peninsula who have been working with us in trying to seek a solution to those problems that are natural around an airport; that we must not turn against everyone because some people might use information gained from these meetings against the Airport; that we must not back down from a policy that has won us friends and shown us cooperation because of a splinter group that has caused us problems.

Commissioner Goosby said that the Airport's office of Community Affairs shall provide staff support for the Roundtable; that if funding is necessary the Director of City Planning of San Mateo County said that he will have to withdraw some participation. He asked what the charge is now that the study has been completed; if we are going to fund it; what staff duties will be.

Mr. Garibaldi said that the City Attorney's office has advised the Director that no money can be spent with respect to the Roundtable until there is some legal document that defines what the money will be spent for, who will administer it and how it will be controlled.

Mr. Turpen said that there was some community expectation that the Airport would provide staff support. Due to the obvious constraints of the airlines, our commitments to minimize costs and not increase head count we are not in a position to provide the kind of staff support that is expected.



Mr. Turpen said that he would like to schedule this for the second meeting in June to discuss our Roundtable involvement.

Commissioner Kadish asked if there has been FAA response relative to the proposed hotel construction?

Mr. Turpen said that the Commission should have received it today.

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#### F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS

The following items were unanimously adopted.

4. Discontinuance of Airport Contract No. 1321 Janitorial Services Contract - North Terminal.

NO. 82-0129	Resolution accepting the work performed under Airport Contract No. 1321, Janitorial Services - North Terminal, as satisfactorily completed; approves and requests the Controllers Certification of Credit Contract Authorization of (\$920,265.35).
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Contract Modification No. 1 (Month to Month) (Debit)	\$1,663,985.47
Modification No. 2 (Credit)	(920,265.39)
Total Amount Expended FY 1981-82	743,720.08
Contract Starting Date	October 1, 1980
Original Completion Date	September 30, 1982
Completion Date as Modified	March 14, 1982

Commissioner Kadish asked if the supervisory personnel were on the payroll of the Airport and, if so, what department were they under.

Mr. Turpen replied that they were under the Maintenance department.

Commissioner Kadish asked for a monthly report on the status of the maintenance of the terminal.

5. Award of Contract No. 1335 - \$59,440  
Emergency Airfield Pavement Repairs, FY 1982-83

NO. 82-0130	Bids Received April 29, 1982
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<u>Bidder</u>	<u>Bid Amount</u>
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1. Lowrie Paving	\$81,540
2. Piombo Corp.	\$85,820
3. Piazza Construction Co.	\$88,300
4. Dorsa Paving, Inc.	\$59,440

Dorsa Paving, Inc. has requested that they be relieved from their bid due to an estimating error.

Construction budget: \$100,000



6. South Terminal complex Modernization Program--Conceptual Approval for Reduction in Scope of Work.

NO. 82-0131

Resolution approving in concept a proposal to revise the Terminal Master Plan to reduce the scope of work for the South Terminal Complex at a saving of \$34 million plus financing costs.

Commissioner Kadish commended staff for arriving at a lower cost and asked that an additional resolve indicating that the revised Master Plan be submitted to the Commission by the second meeting in July.

7. Request Authorization for approval of Issuance of City and County of San Francisco Contract Order Complete with Contract Agreement for Telephone Service.

NO. 82-0132

Resolution to authorize City Purchaser to contract with Pacific Telephone Company for the relocation of existing telephone lease lines and installation of upgraded telephone equipment into the new Communications Center, to be located in the North Terminal Connector by January 21, 1983.

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G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

The following items were unanimously adopted.

8. Modification No. 1 and Completion of Professional Services Agreement: Stevens-Haag and Associates.

NO. 82-0133

Close-out of professional services contract with Stevens-Haag to design the public reading lounge in North Terminal and a prototype kiosk.

Original amount of Contract	\$13,300.00
Modification No. 1 (Credit)	\$(8,427.60)
Final Amount of Contract	\$ 4,872.40
Starting Date	Feb. 4, 1980
Original Completion Date	Dec. 31, 1980
Revised Completion Date	Jan. 13, 1982

Commissioner Kadish asked if there was a contemplated time when those Kiosks would be built and used.

Mr. Turpen did not know.

9. Tenant Improvement: PSA Maintenance Facility in American Airlines Superbay Hangar-Plot 40, T-2648, \$95,000.



NO. 82-0134

Resolution approving the plans and specifications submitted by Pacific Southwest Airlines for the construction of improvements to their maintenance facility in the American Airlines Superbay hangar.

The work consists of installing wall partitions, electrical and mechanical work, including provision of an elevator shaft for a future elevator for a 6,000 sq. ft. office expansion. No rental credit.

10. Modification No. 2 to Professional Services Contract with Farella, Braun and Martel.

NO. 82-0135

Modification No. 2 to Professional Services Agreement with Farella, Braun and Martel to provide for an increase of \$75,000 in fees and expenses in connection with certain claims and lawsuits filed against the City and County of San Francisco.

Commissioner Fleishell asked for a capsule review of the costs we are spending on this item. He hoped that someone was not just signing off on these bills; that someone should review them; that perhaps there should be double signatures on them.

11. Contract No. 1466  
Bid Call for Asphalt Paving for Firehouse No. 2.

NO. 82-0136

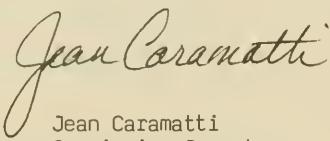
Provision of new paving and repairs to existing pavement adjacent to new addition of Firehouse No. 2 constructed under a prior contract.

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I. ADJOURNMENT TO GO INTO CLOSED SESSION.

There being no further calendared business before the Commission the meeting was adjourned to go into Closed Session.

\* \* \*



Jean Caramatti

Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



## MINUTES

DOCUMENTS DEPT.

SEP 30 1982

Tuesday, June 1, 1982

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## COMMISSIONERS

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DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



**SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING**

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		Call to Order		1
B.		Roll Call		1
C.		Adoption of Minutes		1
D.		Announcement by Secretary		1
E.		Director's Reports		1
	1.	Outline of Proposed Leasehold Specifications - Principal Concessionaire - Written Report		1-3
	2.	North Terminal Ice Cream/Cookie Parlor Signage - Written Report		3-4
	3.	Update on Valet Parking Service - Written Report		4
	4.	Improved Revenue Control Program for the Airport Parking Facilities - Written Report.		4-5
	5.	Airport Parking Facilities/CERAND Report. - Written Report.		5
	6.	Skycaps -- Oral Report		5-7
F.		Items Initiated by Commissioners.		10-12
G.		Agenda Items Involving Major Policy or Operational Decisions.		7
	7.	Modification No. 2 to Professional Services Agreement with Morrison and Foerster.	82-0139	7
	8.	Donation to Exhibition Department	82-0140	7
	9.	Request Authorization for Mid-Management Training		8
	10.	Approval of Tenant Improvement Guide.	82-0141	8
	11.	West of Bayshore		8
	12.	Shuttle Bus Service Agreement Modification No. 15 for 41,005.43	82-0142	9
	13.	Award of Lease - North Terminal Game Room.	82-0143	9
	14.	Relocation of Communications Equipment		9-10



H.	Consent Calendar of Routine Administrative Matters	10
15.	Modification and Extension of Professional Services Agreement - \$15,000.	10
K.	Adjournment to go into closed session	12



Minutes  
of the  
Airports Commission Meeting

June 1, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

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B. ROLL CALL:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z.L. Goosby.
Absent:	Commissioners William K. Coblenz, J. Edward Fleishell.

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C. ADOPTION OF MINUTES:

The minutes of the Airports Commission regular meeting of April 14, 1982 were adopted by order of the Commission President.

\* \* \*

D. ANNOUNCEMENT BY SECRETARY:

In accordance with the Brown Act, Section 54957.1, Jean Caramatti, Commission Secretary, announced the unanimous adoption of Resolution 82-0137 approving funds to cover expenses of executive search for the Deputy Director of Business and Finance, and Resolution 82-0138 authorizing the Director to expand the scope of legal services of Morrison and Foerster to include advice and counsel with respect to anti-trust laws, at the meeting of May 18, 1982.

\* \* \*

E. DIRECTOR'S REPORTS:

1. Outline of Proposed Leasehold Specifications - Principal Concessionaire - Written Report

Report transmitting proposed specifications for Central Terminal principal concession lease and agreement for retail merchandising.

Mr. Louis Turpen, Airport Director, said that staff has been working on the specifications of the principal concessionaire concept in the Central Terminal. He said that Mr. Conrad was available to answer questions and receive Commission input.



Commissioner Kadish said that the term was for 10 years and asked if it was possible to consider it for 5 years with an option for an additional five years. How was the 10 years arrived at?

Mr. Conrad, Airport Property Manager, said that the 10 years was put in because a minimum investment of \$150 a foot was being proposed. Presently, the concessionaires in the terminal were spending \$100 a foot. At 10,000 feet, concessionaires would be investing \$1.5 million. The 10 year period would give them time to recoup their investment.

Commissioner Goosby asked if the \$150 was arrived at after consulting with the architect to maintain quality of the alterations.

Mr. Conrad said that two things are required of new tenants. The first is that they meet our code. The second is that they get their design approved by the Commission and the design review committee. The Commission may impose any kind of requirements it wants. Gensler will make a proposal to the Commission as to what kinds of design controls he would like to see. The \$150 seems reasonable to Gordon Johnson of Gensler.

Commissioner Bernstein said that section 1301 says that lessee agrees to make best effort to sublet up to 25 percent. He thought that it had been agreed upon that it would be 25 percent, not "make best efforts."

Mr. Conrad said that the language was approved by the Commission in the SBE resolution.

Commissioner Bernstein said that one of the reasons that we went to the single concessionaire was to see if we couldn't do something on the minority program inasmuch as it was felt that the other programs excluded them. Therefore we wanted it to be 25 percent and not "best effort".

Commissioner Kadish said that the language we used was "a goal of 25 percent".

Commissioner Bernstein asked what would happen if it came up zero.

Commissioner Goosby said that if we don't feel that they've made sufficient effort we can break the lease.

Mr. Conrad said this was written with the intent to make it similar to our construction contracts. Our construction contracts require that the contractor adhere to a goal. If the contractor is unable, thru his best efforts, to meet that goal and can make a sufficient showing to the Human Rights Commission, then he is not held to meet that goal. The intent of this draft was to propose the same type of agreement.

Commissioner Bernstein said that he feels there should be a specific number.

Mr. Garibaldi, Airport General Counsel, said that if you put a specific requirement you get into the area of having established a quota rather than a goal and we can run into legal problems.

Mr. Conrad said the pre-bid conference would be in 4 - 5 weeks.

Commissioner Goosby said he would be interested in hearing of the proposed changes coming out of the pre-bid conference. He also hoped that staff would get direction from the Commission that the MBE portion be raised to 20 or 25% and that that language be incorporated in the final draft.



Mr. Conrad said that the proposal recommends that the concessionaire be given the latitude to develop up to 10,000 feet but if the concessionaire felt that he didn't need 10,000 feet or didn't need it in the early years of the operation and wanted to reserve some of the area for ancillary support space and then use it later on for retail space, he could do that.

Mr. Conrad stated that the rent was a minimum guarantee versus the percentage.

Commissioner Kadish asked what percentages against the minimum were being considered.

Mr. Conrad said that presently the Airport was receiving 25% of gross at the most recently bid and awarded Aeroplex North Terminal News and Gift store. The minimum annual rent on that store is \$516,000 a year. It has two locations and a total square foot area of 1400 feet.

Commissioner Kadish asked if Mr. Conrad would have more detailed information after the pre-bid conference.

Mr. Conrad said the document requires that the principal concessionaire, for any subleases, come before the Commission and obtain prior approval of the Commission for any sublessee, and, that their sublease document receive approval from the Commission.

Commissioner Kadish suggested that a poster store of the type that the Nature Company operates be considered for the Airport; that it would be well received by the passengers and would provide us with the kind of coverage and revenue that we want.

Mr. Conrad asked if we could use specifications modified but similar to the specifications in the Art Gallery Shop.

Commissioner Kadish said she did not consider posters to be art; that details could be worked out later.

Mr. Turpen said that it was his understanding that the Commission, with their input, would expect Mr. Conrad to go on with the pre-bid conference and the development of the specifications after which time he would come back to the Commission with the reaction of those persons participating in the conference and any further suggestions with respect to the specifications so that they can be officially bid.

Mr. Turpen asked Mr. Conrad to send the Commission another copy of the specs to make sure that the Commission's comments were embodied correctly and make any changes that were wanted and then we would go ahead and hold the pre-bid conferences.

## 2. North Terminal Ice Cream/Cookie Parlor Signage - Written Report

Report on Host's proposed  
signage for North Terminal  
Ice Cream/Cookie Parlor

Mr. Turpen asked Mr. Conrad to give his report.

Mr. Conrad said that the Commission and the Design Review Committee, along with Howard Friedman, had previously approved the design concept of the North Terminal Ice Cream/Cookie Shop sign. However, the Commission, at that time, objected to the specific language of the sign which said, "Ice Cream Parlor and Cookie Factory". Host subsequently submitted another sign which read, "David's Cookie Kitchen" and "Howard's Ice Creamery", but the sublease for that facility wasn't acceptable. Host has now submitted another sign which would read "Koekje Cookie -- Freshly Baked Cookies" and "Frusen Gladje -- Natural Ice Creams". The Commission has a report, two



letters from Art Spring on the subject and the sign proposal from Host reflecting the language. It is felt that the proposed language is inappropriate for three reasons: (1) the sign is not clear in what is being offered. It is confusing to the average passenger; (2) Host is proposing the use of a trademark word, "Frusen Gladje", and that has not been the general practice of the Airport; and (3) the discussions with Host on the Ice Cream/Cookie Parlor have been that Host would have a San Francisco ambience to this facility. The words "Frusen Gladje" do not reflect a San Francisco ambience and, in fact, the ice cream is made in Southern California. Communications have been received from other ice cream manufacturers suggesting that this is inappropriate.

Commissioner Kadish said that Mr. Conrad's third comment was an accurate reflection of the Commission's feelings that the concessions be uniquely San Francisco and reflect San Francisco. There is nothing uniquely San Francisco about this and does not reflect a San Francisco ambience. The Commission does not have the right to say that concessionaires must carry particular brands, but it can insist on high quality. We are interested in quality and in San Francisco, and there is nothing in the language of the signs that Host is proposing that follows that dictum.

Commissioner Goosby said that he would prefer to use a local ice cream company. He added that no other concessionaire displays the company name of their product on a sign.

### 3. Update on Valet Parking Service - Written Report

This is Staff's initial monthly update report on the valet service as requested by the Commission.

Mr. Turpen said that Mr. Sheldon Fein, Acting Assistant Deputy Director, Landside Operations, would give a report on the valet service as a result of the rate increase and the cost cutting measures.

Mr. Sheldon Fein said that on May 1st, the cost-cutting measures outlined by the Commission were put into effect as well as the increase in parking fees. The preliminary report for the month of May shows that valet is operating at a profit. Approximately \$6,200 a month, or \$75,000 a year, has been cut. There was an increase in fees for the month of May amounting to \$80,000 over the initial budget. The original budget was estimated at a deficit of \$136,000. Based on the figures for May, a profit of \$20,000 is estimated for the year.

Commissioner Bernstein asked if this included parking fees.

Mr. Fein said that at the April 6 meeting, the Commission told Staff that it wanted to set a structure so that valet would pay for itself.

Commissioner Bernstein asked if parking fees would not be a legitimate part of valet fees.

Mr. Turpen replied that that space is provided free to valet. The elimination of valet would not, for example, reduce any cashiers in the garage and the revenue from that space go to the garage.

Mr. Turpen said that another report would be given to the Commission at the first meeting in July.

### 4. Improved Revenue Control Program for the Airport Parking Facilities - Written Report.

Report on SFIA parking revenue control problems cited in the CERAND Study and staff actions to resolve them.



5. Airport Parking Facilities/CERAND Report. - Written Report.

Report on findings and recommendations by CERAND & CO. in its report on SFIA parking revenue control.

Mr. Turpen asked Mr. Fein to go over Items 4 and 5.

Mr. Fein said that the first report covers the Airport's revenue control procedures and the second covers the revenue control equipment. In going through the report, Staff isolated about 69 items that would relate to an improved revenue control for the parking facility. A print-out of those items was submitted to the Commission along with Staff's comments and a schedule for completion. By July 1, improvements should be put into effect relating to 59 of them. An additional five items can be corrected with interim cash registers. The remaining five can only be resolved with the installation of a semi-automated or completely automated revenue control system. Staff has already taken care of ten of the items on the list.

Commissioner Kadish asked what "rate groups" referred to.

Mr. Fein said that the CERAND Report recommended that the 10,000 - 12,000 tickets collected in one day be separated according to the cost of the ticket so that they can be audited.

Commissioner Kadish said that the cover memo mentioned hiring an additional person or persons to audit.

Mr. Fein said that the Airport has one person auditing the tickets for the garage. This year the revenues for the garage should approximate \$16 million and we go through approximately \$4 million tickets. LAX, which has a parking operation similar to ours, has six full-time accountants working on their parking procedures and they audit 100% of their tickets. Right now we are looking at the percentage of tickets we should audit to make sure we have the controls we need.

Commissioner Kadish said that there seems to be a push on for state of the art on-line revenue control equipment. In our discussions, it was decided that there be no definite "mind made up" situation; that possibly the off-line might do just as well as the on-line; that there be an objective presentation.

Mr. Fein responded that Page 2 of the memo states that the remaining problems will be resolved only by the installation of either a fully or semi-automated revenue control; that fully or semi-automated refers to on-line and off-line.

Mr. Turpen said that Staff would come back to the Commission with recommendations as to the type of equipment and a recommendation that we have someone professionally qualified specify that equipment for us.

Mr. Fein said that 14 other airports have already been contacted to find out what type of systems -- on-line or off-line -- are being used and to get their comments and input relative to those systems.

6. Skycaps -- Oral Report

Mr. Turpen said Mr. Pat Gibbons, Airport Staff, had an update on the report he gave at the last Commission meeting.

Mr. Gibbons said that he surveyed the four airlines that serve SFO as to their rate of pay to skycaps, as well as Allied Airlines, which provides the contract and Pacific State Airline which provides the skycap contract at Oakland International. PSA has not responded as to their rates of pay to date. Referring to his memo to the Commission, Mr. Gibbons indicated that it lays out the rates of pay for the airline and the contract services. The major difference is



in the fringe benefits. The airline rates of pay are in a range and the high range would have to be used as each airline has indicated that about 95% of their skycaps, since they are long-time employees, are paid at the high rate.

Commissioner Bernstein asked if there was a union scale.

Mr. Gibbons replied that the only union contract is with Western Airlines. Their scale is a range of \$6.62 to \$7.75 an hour and about 29% in fringe benefits.

Commissioner Goosby asked if this was the same union that represented the Allied employees.

Mr. Gibbons said it was not. The Western skycaps belong to the Air Transport Employees Association, a non-AFL-CIO labor organization that was organized within the corporate structure of Western. It takes in skycaps, clerical, EDP and other ramp services.

Mr. Vic Theusen, attorney representing the Brotherhood of Railway and Airline Clerks asked the Commission to enforce the prevailing wage resolution by directing Allied Maintenance Corporation to roll back their recent actions with respect to employees at the Airport to those wages, hours, working conditions that were effective April 30, 1982, and make this a condition of doing business at the Airport.

Commissioner Bernstein asked if Allied had a contract.

Mr. Don Garibaldi, Airport General Counsel, replied that Allied had a permit from the Airport, issued in 1964, before the Commission had adopted this policy. The permit is good as long as the operator meets the requirements of the Commission rule. The Commission can terminate it if it wants to.

Mr. Theusen disagreed and said that as a public agency, anytime the Commission offers a permit it is subject to any conditions which the Commission may impose from time to time. In 1980, the Commission imposed a prevailing wage and benefit standard. It should apply to Allied. A permit, in effect, is a contract.

Mr. Garibaldi said that the Airport cannot unilaterally change that contract. Allied agreed to that particular permit at the time it was issued with whatever terms it contained. If the Commission decides to revoke that permit and then issue a new one with this policy as part of the requirements, then it is up to Allied as to whether they will accept it or not.

Commissioner Goosby suggested that that might be the way to go. Allied should be approached by Mr. Turpen and ask them if they are willing to continue operating under the current permit with the prevailing wage policy in effect. If not, we are considering revoking the permit.

Mr. Theusen stated that Allied is not particularly the "bad guy" in this issue. It was the airlines who went to Allied and asked them to cut so that they could continue to maintain those services. Allied then went to the skycaps, some of who had been there for a number of years, and took away everything they had as of May 1 of this year to the point that not only are they not maintaining the prevailing wage standards, but are

maintaining a standard that approximates one-half of what the other airlines are doing.

Commissioner Goosby suggested that discussions begin with Allied and let Allied go to the airlines and explain that they might lose their contract if the wages and benefits are not reinstated. The Commission cannot become involved in negotiations, but some effort should be made to enforce the policies of the Commission.



Mr. Rip Ridley, Wam's, Inc., said that the Commission probably only had to give Allied 30 days written notice indicating that you don't want their services or you want to discuss it.

Mr. Ridley asked who should be contacted about leasing space at the Airport.

Mr. Turpen said Mr. Skip Conrad should be contacted.

Mr. Earl Williams, Union/Brac, said that as a result of their last negotiation on April 29 and 30 of this year, they were told that all the skycaps could be offered were non-union wages and discontinuance of fringe benefits as of May 1, 1982. According to surveys, skycaps in San Francisco have been rated #1 for service in the nation. Skycaps are being penalized instead of compensated for a job well-done. If skycaps lose their benefits and must work at minimum wage, why do they need Allied?

Mr. Theusen asked for a formal motion.

Commissioner Kadish moved and Commissioner Goosby seconded a motion empowering Mr. Turpen to institute negotiations with Allied to handle the situation and explore the various possibilities and options available to us.

The motion was unanimously adopted.

\* \* \*

#### G. AGENDA ITEMS INVOLVING MAJOR POLICY OR OPERATIONAL DECISIONS

The following items were unanimously adopted:

##### 7. Modification No. 2 to Professional Services Agreement with Morrison and Foerster:

No. 82-0139

Resolution approving Modification No. 2 to Agreement with Morrison & Foerster to increase by \$120,000 the compensation payable for legal services in connection with small claims cases and anti-trust matters.

##### 8. Donation to Exhibition Department

No. 82-0140

The exhibition department has received donations for the purpose of supporting an exhibition and also for the purpose of supporting the closing reception/benefit for the Carousel Animals.

The Airports Commission is requested to accept the donations.

Mr. Turpen brought this item before the Commission in order to publicly recognize those persons who have contributed to the program. Commissioner Kadish asked if an official letter would be sent to each one.



Mr. Turpen replied yes.

The following item was put over:

9. Request Authorization for Mid-Management Training

Resolution to authorize contract with Robert F. Hicks, Ph.D., for a two day management training program for mid-managers entitled "Motivation and Management Style."

Mr. Turpen said that this was a continuation of a program started by the Mayor's Office for upper level management. The Airport is conducting a seminar for some of the key people.

Commissioner Kadish asked who would attend.

Mr. Turpen replied the Deputy Directors and others.

Commissioner Goosby asked what the cost would be.

Mr. Turpen replied \$3,500 for 15 people.

Commissioner Kadish asked if this was a program fostered by the Mayor.

Mr. Turpen replied that it was.

Commissioner Kadish said that every other department in the City that she is aware of is participant in this type of program. It would be derelict of the Airport not to participate and be behind other departments.

Commissioner Goosby moved that this item be held over.

Mr. Turpen said he would get back to the Commission with more information and a list of names of those individuals who would be participating.

The following item was unanimously adopted.

10. Approval of Tenant Improvement Guide.

NO. 82-0141

Resolution approving and adopting the revised "Tenant Improvement guide." The existing edition has been updated to reflect changes in building codes, fire and safety regulations. Guide will be effective July 1, 1982.

Mr. Turpen said this is an update of the Tenant Improvement Guide recognizing changes in code and other physical requirements.

The following item was put over.

11. West of Bayshore

Resolution finding that 94 acre portion of property West of Bayshore can no longer be advantageously used by the Airports Commission and consenting to its transfer to the City's Real Estate Department.



The following item was unanimously adopted.

12. Shuttle Bus Service Agreement Modification No. 15 for \$41,005.43.

NO. 82-0142

Resolution approving  
Modification No. 15 to the  
Shuttle Bus Service Agreement  
to provide for price  
adjustment to compensate for  
increases in labor wage rates  
and fuel costs. Total cost:  
\$41,005.43.

Commissioner Goosby asked if we were getting ready to bid this and if companies had been alerted?

Mr. Turpen said yes.

Mr. Fein said the Purchaser had a question on the contract but it has been resolved and should be going out to bid within the next few weeks. Individuals who have expressed an interest will be sent the specifications and notices will be published in the proper journals and newspapers. They will have about one-month to look at the bid and respond.

Mr. Garibaldi said this is a required adjustment in the contract.

13. Award of Lease - North Terminal Game Room.

NO. 82-0143

Resolution awarding a lease  
for operation of a game room  
in the North Terminal to  
Thrust Co., a general  
partnership for a first  
year's minimum annual rent of  
\$260,076.00.

Commissioner Kadish said that in item 9, lease section 7.01 a phrase was left out that should read: The improvements would be subject to the approval of the Airport Design Review Committee.

Commissioner Bernstein asked how long after the lease was awarded would it get going.

Mr. Turpen said that the process for the Board of Supervisors is approximately eight weeks for approval. First it goes to the full Board for referral to the Finance committee. We have expedited the process to six weeks. The resolution will be at the Board tomorrow.

Commissioner Bernstein said he would make sure that it was taken up on the following Monday.

The following item was put over.

14. Relocation of Communications Equipment.

Resolution declaring the  
relocation of the telephonic  
communications system from the  
Central Terminal to the North  
Connector to be a service  
contract and, because of the  
time constraints, its  
immediate development and  
installation to be of an  
emergency nature.



Mr. Turpen said that this was for the relocation of telephone company equipment from the Central Terminal location to the North connector as part of the Modernization and Replacement Program. There is some upgrading of telephone equipment. This must be completed by January 21, 1983 or it will delay the Central Terminal Project to the tune of \$60,000 a month.

\* \* \*

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

The following item was unanimously adopted.

15. Modification and Extension of Professional Services Agreement - \$15,000.

Iver C. Larson and Associates  
- Professional Safety  
Consultants.

Mr. Turpen said this is a safety consultant; that we have been using this for some time with respect to job safety at the Airport, accident investigation, etc.

Commissioner Goosby asked if this covers all departments.

Mr. Bob Lee, Deputy Director of Engineering said this is a renewal of his annual contract. The money is already in the budget for next year.

\* \* \*

F. ITEMS INITIATED BY COMMISSIONERS.

Commissioner Bernstein asked what would be done with the leases for the barber shop, candy shop and the flower shop.

Mr. Turpen said those are being negotiated.

Mr. Conrad said he believes that a conclusion has been reached with respect to the candy shop but he would prefer not to discuss it publicly. He also believes that a successful conclusion has been reached with the barber shop.

Commissioner Bernstein asked when it would be concluded.

Mr. Conrad said that it would be concluded by July 1st at the latest. If it goes beyond July 1st there is a potential impact to the Principal Concession agreement because we cannot identify precisely how many square feet will be allocated to Principal Concession.

Commissioner Bernstein asked about disability for Police.

Mr. Turpen said that the Airport Police have petitioned for consideration of a disability plan. This happened about two-years ago and a commitment was made by the Director at that time to bring a disability plan before the Airports Commission for their consideration.

Commissioner Goosby said this has not yet been done .

Mr. Turpen said the disability plan, as envisioned, would relate to on-the-job injury, certified by the Retirement Board. If so certified it would have a 7-day delay period before any benefits would be paid.



Commissioner Goosby asked what the difference was between disability and sick pay.

Mr. Turpen replied that employees accrue 13-sick pay days a year and any job-related injury could use that up in no time. It protects them beyond that sick pay period. If, however, an officer is injured during an arrest he receives assault pay and is fully covered.

Commissioner Kadish said that all the information must be gathered in order to discuss the matter.

Commissioner Bernstein said the Commission never formally received this, and no formal discussions ever took place. It had come up informally in the past and the Commission said it would not be in favor of it until certain problems had been resolved. Since that time there have been several moves on the part of the Police Department to get legislation passed in Sacramento.

Pat Gibbons said that over this two year period the members of the Airport Police Department and their labor representatives went to the Board of Supervisors on three occasions. The Board members initiated legislation to provide this benefit without consulting with Airport staff, administration or this Commission. We wrote letters to members of the Board of Supervisors on those occasions indicating that this Commission had not been consulted on this item and it faded away.

Commissioner Bernstein said that the Police Department and officials should be notified in no uncertain terms that he is neither for it nor against it and does not want it inferred that he has discussed it and made a decision.

Mr. Turpen said he has communicated to the Supervisors involved as well as to the Police Officers Association that this Commission has not made a statement concerning this issue; that it has not yet come before the Airports Commission.

Commissioner Bernstein said that the Board of Supervisors cannot pass on this until the Airports Commission does.

Mr. Turpen said that he believes they can, however the Commission holds the funding.

Commissioner Kadish asked what the plans for the kiosks are; how many will be used and where.

Mr. Turpen said there is no plan.

Commissioner Kadish asked that one be developed.

Mr. Turpen said that this has already been approved. It was designed to provide some uniformity throughout the terminals. He has charged Jason Yuen with taking a look at a you-are-here-program. However, up to now we have actually done nothing with respect to installation.

Commissioner Kadish it should be looked at for the South Terminal and the North Terminal and should be implemented right away.

Commissioner Bernstein said that the city of Burlingame responded and that it should come up before the Commission for a vote. He asked for the report of the FAA.



Mr. Turpen said there was no report; just a statement, "determination of no hazard" based on FAA criteria.

Mr. Bernstein said obviously, there's certain criteria they have established. It may very well be that they have something there and maybe we ought to close down runways 19L & R.

Mr. Turpen said that is a decision for the Commission to make but he would recommend against it.

Commissioner Bernstein said that he was inclined to go along with the city of Burlingame .

Mr. Turpen said he would put it on the next calendar if Commissioner Bernstein wished.

Commissioner Kadish responded yes.

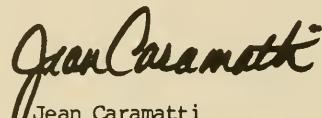
Commissioner Bernstein said he thought we ought to consider closing.

Mr. Turpen said he would give the ramifications of closing the runway at the next meeting and the Commission can vote as to what type of response they want.

\* \* \*

K. ADJOURNMENT TO GO INTO CLOSED SESSION.

There being no further business before the Commission, the meeting adjourned at 4:00 P.M. to go into Closed Session.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, June 15, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES		1
D.		SPECIAL ITEMS		1-2
E.		DIRECTOR'S REPORTS		2-4
	5.	Airport Community Roundtable Verbal Report.		2-3
	6.	Proposal to Close Runway 19 by Burlingame City Council - Verbal Report		3
	7.	M & R Program - Verbal		3
	8.	Skycaps - Verbal		3
	9.	North Terminal Custodial Maintenance Verbal Report		3
	10.	Work Reports from Airport Staff - Verbal Report		3
	11.	Collection Policy for Delinquent Accounts		4
F.		ITEMS INITIATED BY COMMISSIONERS.		4-5
G.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.		5
	12.	Exhibition Program for 1982-83 82-0151		5
	13.	Exhibition Program - Agreement with Fine Arts Museums of San Francisco and Museum Society.		5-6
	14.	Transfer of Funds to Art Commission for the Art Enrichment Program at the Central Terminal Complex-- \$795,000. 82-0153		6-8
	15.	Request Authorization for Mid-Management Training. 82-0154		8-9
	16.	West of Bayshore		9-10
	17.	Interim Shuttle Bus Contract Modification 82-0155		10
	18.	Contract 1205 - Central Terminal Upper Floor Remodeling Approval of Schematic Plan, Authorization to Incorporate Work with Contract 1200B (4) Central Terminal Remodeling, and Transfer of Funds from Contract 1205 to Contract 1200B (4) - \$1,260,000. 82-0156		10-11



19.	Contract Modification No. 4, Professional Services Agreement with Howard A. Friedman, to extend of Contract and to Increase Scope of Work - \$140,000.	82-0157	11
20.	Award of Airport Contract No. 614 Airfield Drainage Lines at Runway 19R and 19L and Pump Station - \$897,587.20.	82-0158	11-12
21.	Agreement with Hogan and Hartson	82-0159	12
H.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		12
22.	Award of Contract No. 1452 480V Service to FAA Middle Marker	82-0160	12-13
23.	Statistical Adjustments Under the New Lease and Use Agreement.	82-0161	13
24.	Japan Airlines Rental Credit - \$5,943.36	82-0162	13
I.	COMMUNICATIONS:		13
K.	ADJOURNMENT TO GO INTO CLOSED SESSION		13



Minutes  
of the  
Airports Commission Meeting

June 15, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:	Commissioners Morris Bernstein, William K. Coblenz, Z.L. Goosby, J. Edward Fleishell.
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Absent:	Commissioner Ruth S. Kadish
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C. ADOPTION OF MINUTES:

The following resolutions were adopted by order of the Commission President:

NO. 82-0146	Resolutions adopting the minutes of May 4, 1982
NO. 82-0147	May 11, 1982
NO. 82-0148	May 18, 1982

\* \* \*

D. SPECIAL ITEMS:

1. Swearing in of newly selected Airport Police Captains.

The following men were sworn in as Captains of the San Francisco Airport Police Department by Commissioner Morris Bernstein:

Frank O'Malley, James Gibbs, Willie Dunbar.

The following item was unanimously adopted by the Commission.

2. Retirement of Assistant Deputy Director for Utilities Dave Matlock.

NO. 82-0149	Resolution expressing best wishes for the fullest measure of health and happiness after having served the City and County of San Francisco for 31 years of which 14 years was at San Francisco International Airport.
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Mr. Lou Turpen, Airport Director, said that Mr. Matlock was retiring after 31 years of service with the City. He was among the original group of engineers that were transferred to the Airport from the Public Utilities Commission for the \$470-million Airport program. He is one of a handful of engineers in the United States who is licensed in three major disciplines, civil, electrical and mechanical. He has tremendous knowledge and capabilities and will be sorely missed. We wish him well.

The following items were put over.



3. Retirement of Head Airport Electrician James Owens.

Resolution expressing best wishes for the fullest measures of health and happiness after having served the City and County of San Francisco for twenty-six years of which fifteen and a half years was at San Francisco International Airport.

4. Retirement of Airport Emergency Communications Coordinator Joan Owens.

Resolution expressing best wishes for the fullest measures of health and happiness after having served San Francisco Airport for twenty years.

\* \* \*

E. DIRECTOR's REPORTS.

5. Airport Community Roundtable. - Verbal Report.

Mr. Turpen said that this report was in response to a Commission request for information on the Airport Community Roundtable. A letter is being forwarded to the Commission on this subject.

The Roundtable was developed by the Joint Powers Board as a forum for discussing the effectiveness of recommended noise mitigation actions, for handling new problems of noise mitigation as they surfaced, for determining possible courses of action in any additional mitigation measures and coordinating shared authority. The Joint Powers Board formulated the scope and membership for an on-going committee. The Airports Commission, on August 19, 1980, resolved to accept the joint action plan and directed Mr. Heath to present to the Commission a plan for implementation, which is the Airport Community Roundtable. On May 11, 1981, the Airport, along with a number of communities signed the memorandum of understanding creating the Roundtable. The Roundtable envisioned the Airport as providing and funding Roundtable activities. Mr. Turpen's memorandum to the Commission discusses the possibility of the Airport and the communities involved contributing to the selection of a staff person. Essentially this involves a commitment of \$10,000 by the Airport and like amounts by San Mateo County and each of the participating agencies.

Commissioner Fleishell suggested that a resolution be prepared for immediate adoption. He stated that the resolution should stipulate that the person selected should not have a public position on the issues involved, and should be completely objective.

Mr. Turpen said a resolution would be presented to the Commission at the next meeting.

Commissioner Bernstein wanted to know how much money the other agencies were putting up.

Mr. Turpen said that San Mateo County would match our figure and the smaller communities would put up \$500 each. However, that sum has not be finalized.

Commissioner Goosby said the Commission's approval would be contingent on that being done.



Commissioner Bernstein asked what the money would go towards.

Mr. Turpen said the money would go for one-part-time staff person to support the Roundtable. Presently the Roundtable envisions Airport staff as support. We do not have the staff and do not intend to hire additional staff to support that agency. We will probably contract with someone to work for the Roundtable and the staff development, i.e. agendas, minutes, etc.

6. Proposal to Close Runway 19 by Burlingame City Council - Verbal Report.

Mr. Turpen said that several weeks ago a letter was received from the City of Burlingame suggesting that in view of the Airports Airline Pilots Air Transport Association Chief Pilots testimony with respect to the proposed Marriott Hotel, if take-offs were so dangerous, we should close the runway. Mr. Turpen submitted to the Airports Commission a draft response to Burlingame. At no time in the hearings did the Airport indicate that we flew unsafe procedures from the Airport. Approximately 3,000 departures occur on runway 19 and 30,000 arrivals. Many times that runway can be used up to 18 hours, according to the FAA. Should the Commission decide to close that runway we would eliminate approximately 10% of the aircraft operations from the Airport. He strongly recommended that the Commission not accede to the request and that he be allowed to respond with the draft provided to the Commission.

The following item was put over to July 20, 1982.

7. M & R Program. - Verbal
8. Skycaps. - Verbal

Mr. Turpen said he has been advised by the City Attorney that there would be some legal problems in canceling Allied's permit.

Mr. Theusen, the attorney for the Skycaps, requested that this item be put over so that some of the potential problems could be discussed with Mr. Turpen and the City Attorney.

Mr. Turpen suggested that this item be put over to the July 6 meeting if Mr. Theusen agreed.

Commissioner Goosby said that he read the permit granted to Allied in 1963. He asked if the \$150 fee set at that time is in line with permits presently granted; that the figure should be looked at and possibly raised.

Mr. Turpen said he would take a look at it and get back to him.

9. North Terminal Custodial Maintenance. - Verbal Report.

Mr. Turpen said that at the second meeting in May, the Commission requested that staff develop a monitoring procedure for the North Terminal Custodial program. A form was developed and circulated to the airlines in the North Terminal (Delta, Eastern, United, Air Canada, America and Air Cal). The majority of tenants who responded to the survey rated the services as good. As compared to the prior method of cleaning, the current services were rated as superior in all aspects. This survey will be taken monthly and the results will be reported to the Airports Commission at the second meeting each month.

The following item was removed from the calendar.

10. Work Reports from Airport Staff. - Verbal Report.



## 11. Collection Policy for Delinquent Accounts.

Mr. Turpen said that at the second meeting in May the Commission asked for a follow-up on our collection policy. The Administrative Code provides that all claims for money due be forwarded to the Bureau of Delinquent Revenue Collection, however, in the case of utilities such as the Airport, the jurisdiction remains with the Airports Commission. In looking at other major airports, (Boston, Chicago, Atlanta, L.A., JFK, Pittsburgh and Houston) five had finance charges ranging from 10-30% on unpaid balances beyond 30 days, however, the tenant was never expected to pay this charge.

Mr. Turpen recommended that a policy be prepared for the Commission relating to non-aeronautical tenants concerning arrearages. In effect, that policy would say that when an invoice was not paid when due a letter would be sent to the delinquent party indicating that unless the invoice was paid within 30 days a finance charge would be levied. Furthermore, the Commission would consider the matter as a potential breach of contract. The airline community, through the Lease and Use Agreement, has committed to a 1-1/2% per month delinquency fee. This same type of procedure should be employed for all tenants at the Airport.

Commissioner Fleishell asked why we would wait the additional 30-days. The tenant sends the Airport a statement of activities with a check. If the statement and the check do not arrive there is a breach. If the statement is sent without the check there is a breach. Action should be taken at this point. They are using our money to finance their operation and this is unfair to those people who pay on time. We must be more diligent.

Mr. Turpen said he would construct it that way and bring it back to the Commission at the July 6, meeting.

Commissioner Bernstein asked for a list of accounts payable on a monthly basis.

\* \* \*

## F. ITEMS INITIATED BY COMMISSIONERS.

The following item was introduced by Commissioner Coblenz and unanimously adopted.

Commending United Airlines on their new retrofitted quiet DC-8-71.

NO. 82-0150

Commissioner Coblenz introduced a resolution commending United Airlines for retrofitting their DC-8-71 before the mandated date of January, 1985. The resolution offers its enthusiastic support and urges other carriers to follow suit.

Commissioner Goosby said that there was some concern on the part of the Commission that SBE be included in a goal as are the WBE and MBE and that a 25% goal be maintained. Mr. Conrad should work out the language to be reviewed by the Commission after meeting with the potential concessionaires.



Commissioner Coblenz said he wanted to see the exact language and reserved any judgment. He is opposed to the way it is presently written.

Mr. Turpen said that language could be developed fairly quickly and transmitted to the Commission as soon as possible for input.

Commissioner Fleishhell, commented on a letter from Duty Free Shoppers relating to the proposed facility in the Central Terminal. A change was made after Duty Free saw and approved their space. If the change was for a design reason he could understand it, but if it was done for merchandizing reasons he would like to know what those reasons are and why they were made without consulting the primary tenant in that area.

Mr. Turpen said that he became aware of the change this morning. He checked and found that it was possible to change Duty Free from one side to the other, unless there is some overriding construction concern. Mr. Turpen said that normally people will seek out Duty Free, whereas principal concessionaire, with news and gifts, are impromptu items and does not know if this switch might not negatively impact principal concessionaire.

Commissioner Coblenz said Duty Free is the Airports biggest revenue producing concession. If they think its more to their benefit by moving them, then it will be more to our benefit and he would be in favor of it.

Commissioner Coblenz suggested that staff work closely with Duty Free to remedy the situation; that any side Duty Free wants it can have.

Mr. Turpen said they will need a resolution from the Commission since it effects a plan that had been presented earlier.

Commissioner Goosby asked if storage space on both sides was identical.

Mr. Conrad said it was.

A motion was made by Commissioner Coblenz, seconded by Commissioner Fleishell and unanimously approved by the Commission, instructing staff to work closely with Duty Free to remedy the situation.

\* \* \*

G. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following items were unanimously adopted.

## 12. Exhibition Program for 1982-83

NO. 82-0151

Resolution approving  
Exhibition Program for  
1982-83 for San Francisco  
International Airport.

13. Exhibition Program - Agreement with Fine Arts Museums of San Francisco and Museum Society.

NO. 82-0152

Resolution approving and  
authorizing agreement with  
The Fine Arts Museums of San



Francisco and the Museum Society in conjunction with the Exhibition Program for 1982-83 at San Francisco International Airport and the expenditure of the sum of \$80,000 with respect to said Program.

Mr. Turpen asked that items 12, 13 and 14 be taken together.

Commissioner Coblenz moved the items and commended Elsa Cameron for the superb job she has done.

Commissioner Goosby said he had a request from the community for African Exhibits. He stated that the community had discussed this with Ms. Cameron; but he did not see any listed.

Elsa Cameron, Airport Art Curator, said the Museum Association is circulating an exhibit entitled "The Arts of Kenya" that she is trying to get. The registration fee for participation is up to \$60,000 and this was beyond anything ever entered into. She is in the process of negotiating that fee and arranging for security. Providing the fee can be negotiated, the exhibit would not be available until June, 1983. Normally fees range from \$1,500 to \$11,000. The African Exhibit, due to the fact that many of the works contain precious metals and woods that require a special humidity, poses a problem for us.

There will be a container exhibition which will have containers from Africa.

The following item was adopted by a 3-1 vote with Commissioner Bernstein casting the dissenting vote.

14. Transfer of Funds to Art Commission for the Art Enrichment Program at the Central Terminal Complex-- \$795,000.

NO. 82-0153

In accordance with the City Charter provisions, the Airport has set aside 1-1/2% of the Central Terminal Complex's construction costs for the Art Enrichment Program. The proposed transfer of funds will allow the Art Commission to commence the administration of the art program. Amount to be transferred: \$795,000.

Mr. Turpen said the administrative costs were subject to reimbursement up to a level of \$33,000. There is a procedure to verify expenditures.

Commissioner Goosby said that \$100,000 in work has been selected. He asked if this is done after seeing sketches of the work or is the purchase made on faith and recommendations?

Commissioner Coblenz said it is not done on faith. They see photographs and sketches and then they see the real thing.

Commissioner Dmitri Vedensky, member, San Francisco Art Commission, said these are commissioned and designed specifically for the building. We commission an artist to do sketches of a work intended for the building. The sketches must be approved and then the artist is contracted to do the work.



Commissioner Bernstein said he wasn't so sure that the Commission should just turn over almost \$800,000 to another Commission without any say whatsoever. He questioned the \$33,000 for administrative costs and \$66,000 in miscellaneous expenses. Commissioner Bernstein asked if any money had been set aside for maintenance.

Commissioner Vedensky said money cannot legally be set aside for maintenance.

Commissioner Coblenz asked if there was any input on approval before a work is commissioned. Does it go before the Joint Committee?

Commissioner Vedensky responded yes.

Commissioner Fleishell asked if the architect was consulted in the selection process?

Gordon Johnson, Gensler Associates, said the Joint Committee asked Gensler to prepare their ideas, directions, thoughts on artwork that would be compatible with the design of the facility.

Gensler made a study and prepared a list of many artists with examples of their work and budgets. Gensler worked closely with the Joint Committee. The Joint Committee made the selection, but Gensler had a great deal of input.

Commissioner Bernstein asked how a budget was prepared when the artist had not yet been chosen.

Commissioner Vedensky responded that the artists and scale of work were researched. In general a market feeling is sought for what is possible within the space. Most of the pieces will be large scale. The general price for a work of this scale by each of these artists has been researched.

Commissioner Bernstein asked about the piece for \$190,000 by Rufino Tomaio.

Commissioner Vedensky said it is one enormous sculpture. He is Mexico's most celebrated architect.

Commissioner Bernstein asked if everything at the Airport has been hung.

Ms. Cameron said that there are five pieces to be installed that need work and frames made. There has been no theft or vandalism.

Commissioner Bernstein felt that before anything is done we should determine how the piece is going to be maintained and protected.

Joan Ellison, Director of the Art Commission, said that maintenance was research prior to the selection of the work.

Commissioner Vedensky said that maintenance for everything chosen for the Central Terminal would not be difficult and it was assumed that Airport janitors would take care of it.

Commissioner Goosby said the point is whether we would have to have a special fee for an art curator or a contract to have someone clean the art, but that is not reflected in the 1-1/2 percent. We cannot legally hold back money for maintenance.

Commissioner Goosby said he would like the Joint Committee to pass on to the Airports Commission anything chosen for the Airport; that this would not be for approval of the Airports Commission but just a courtesy.



Joan Ellison stated that when the Joint Committee receives the models and passes on them they then go to the Art Commission and the Airports Commission. Mrs. Kadish could bring them to the Airports Commission for review prior to entering into a contract with the artist for the work.

Commissioner Coblenz asked to what extent we are obligated to the artist if the Commission does not approve the model.

Joan Ellison replied that this year they were approaching it in a different manner. Instead of arbitrarily setting 5% or 10% for a model the City Attorney has recommended that we negotiate with the artist; that the artist set a value on it and the model would be returned after the contract has been completed. This would only mean a couple of thousand dollars.

Commissioner Coblenz said that it seemed to him that the Airport was protected. The Committee has chosen the artist based on drawings submitted to them. When the final drawing is completed it is submitted to the Airports Commission for final approval. The budgeted money will not be expended until that particular art object has been approved.

Commissioner Bernstein argued that practically speaking when the work is finished it is ours. In addition, though he was a supporter of the Art Program, he was not so certain that the Airport should have \$190,000 items on display.

Commissioner Coblenz argued that the paintings at the Airport are an investment. In many cases they have doubled and tripled in value.

Commissioner Fleishell asked what the Charter required.

Don Garibaldi, Airports General Counsel, said that it was the Administrative Code, and that it required up to 1-1/2 percent. It could be up to 2 percent.

Commissioner Fleishell said we have 10 paintings in the warehouse that are considered too unsightly to be hung.

Elsa Cameron said that we have five paintings and they have not been hung because special frames must be made and some conservation work must be done.

The following item was approved by a 3-1 vote with Commissioner Bernstein casting the dissenting vote.

15. Request Authorization for Mid-Management Training.

NO. 82-0154

Resolution to authorize contract with Robert F. Hicks, Ph.D., for a two day management training program for mid-managers entitled "Motivation and Management Style".

Mr. Turpen said that about 4 or 5 months ago the City and the Transamerica Corporation co-sponsored a training session for top-level city managers. As a result of that training session a scaled-down, 2-day version was developed. The Airport is one of the areas in which this is being conducted. The program is a good one and the investment, both in money and time, is small when compared to the potential benefit that could be derived for our managers. The Mayor's office supports this program.

Commissioner Fleishell felt that we should wait until the Deputy Director for Finance is on board. He would no doubt make



incorporate the upper floor work with the existing construction contracts, and to transfer the approved budget of \$1,260,000 from Contract 1205 to Contract 1200B(4).

19. Contract Modification No. 4, Professional Services Agreement with Howard A. Friedman, to Extend Term of Contract and to Increase Scope of Work - \$140,000.

NO. 82-0157

Resolution approving Modification No. 4 to Howard Friedman's Professional Services Agreement to continue providing special architectural services to the Commission, and to increase the scope of the contract to include services as the Coordinating and Master Plan Architect for the South Terminal Complex. Extend term of contract to June 30, 1984, and increase contract amount by \$140,000.

Mr. Turpen said Mr. Jason Yuen, Administrator, Bureau of Planning and Construction was available to answer question.

Mr. Yuen said that Mr. Friedman agreed to subcontract only to minorities. Mr. Friedman did not get the letter signed and to the Human Rights Commission on time but if the Commission would entrust him he will make sure that the letter is signed and sent to the Human Rights Commission before the contract is certified.

The following revised resolution was unanimously adopted.

20. Award of Airport Contract No. 614 Airfield Drainage Lines at Runway 19R and 19L and Pump Station - \$889,942.00

No. 82-0158

Proposed resolution awarding Contract No. 614, Airfield Drainage Lines at Runway 19R & 19L and Pump Station to Dalton Construction Company, 107 South Linden Avenue, South San Francisco, CA 94080.

Nine bids were received on May 19, 1982 as follows:

<u>Bidder</u>	<u>Base Bid</u>
1. Dalton Construction Company	\$ 889,942.00
2. Piombo Corporation	\$ 897,587.20
3. Stacy and Witbek, Inc.	\$1,025,919.00
4. Homer J. Olsen, Inc.	\$1,026,496.00
5. Power-Anderson, Inc.	\$1,109,084.00
6. McGuire and Hester	\$1,270,850.00
7. M.G.M. Construction Co.	\$1,420,356.00
8. W.R. Thomason, Inc.	\$1,473,852.00
9. United Engineers, Inc. Construction Budget:	\$1,528,815.00 \$950,000.00

Mr. Turpen said the Commissioners had a revised resolution before them awarding the contract to Dalton. According to the City Attorney there was a technical defect which the Commission can waive.



changes and it is uneconomical for us to spend money training someone who might not work for us.

Commissioner Goosby asked when it would start.

Mr. Turpen said the course was scheduled for the end of this month.

Commissioner Goosby asked if it was being given just for the Airport. Could the date be postponed until after selection of a Deputy?

Mr. Turpen replied that it was being given for 15 people at the Airport.

Mr. Turpen stated that the firm was hired to conduct a management training session for selected airport personnel. Fifteen people were selected by Mr. Turpen and that list had been submitted to the Commission.

The following item was put over.

16. West of Bayshore

Resolution finding that 94 acre portion of property West of Bayshore can no longer be advantageously used by the Airports Commission and consenting to its transfer to the City's Real Estate Department.

Commissioner Coblenz called the Commission's attention to the resolution. He moved the 1st, 2nd, and 3rd whereas clauses. In the 4th whereas clause he suggested that "can no longer be used advantageously by this Commission" be amended to read: "the portion of the real property located West of Bayshore freeway and generally north of the Airport, consisting of 94 acres, be transferred to the Real Estate Department".

Prior to that he suggested another whereas statement be included to read: "Whereas the Airports Commission has substantial interest in the development of this property because of its close proximity to the Airport and the concomittant access problem that will arise by the development".

After the words "Real Estate Department" in the last resolve it would read "that the Director of Airports is authorized and directed to perform for and on behalf of this Commission any and all acts necessary to affect the transfer of the real property to the Real Estate Department contingent upon the establishment of a Joint Committee to work closely with the Real Estate Department consisting of two members appointed by the Mayor, two members appointed by the Board of Supervisors and two members appointed by the President of the Airports Commission".

Commissioner Coblenz said that some members have reservations about the Real Estate Department's ability to handle this property. It is very important, because of its effect on the Airport, that this Commission, the Mayor's office and the Board of Supervisors be brought in to work with the Real Estate Department on this project.

Commissioner Goosby said he would like to see that in writing.

Don Garibaldi said that the statement "can no longer be used advantageously" which is being deleted is required by the Administrative Code in order to affect a transfer. He suggested that we say, "Because of the terms of the settlement agreement it can no longer be used advantageously".



Commissioner Fleishell asked if this transfer should not be held until the settlement agreement is finalized.

Mr. Garibaldi replied that you could say that everything should be held up until the agreement has been finalized but that it does not hold very strongly in this case.

Mr. Wallace Wortman, Director of the Real Estate Department, joined the meeting at this point. Commissioner Coblenz told Mr. Wortman of the suggestion for a Joint Committee. It would help the Real Estate Department and be of some benefit to the Airport if this assistance was provided.

Mr. Wortman said there is a procedure that must be followed under the Administrative Code and the Charter but nothing that has been suggested would interfere with that procedure. He thought the Joint Committee would be helpful.

Commissioner Coblenz suggested the item be put over to July 6, so that the language of the resolution could be refined.

Commissioner Bernstein asked Mr. Wortman if his office was equipped to handle this property.

Mr. Wortman replied that his office disposed of a \$3.5 million piece of property this morning. He felt it was something that should be placed in the hands of the Director of Property. In fact, in this years budget the Mayor's office approved funding to commence work on this project, subject to approval by the Commission, to transfer the property.

Commissioner Fleishell suggested that Mr. Garibaldi forward a copy of the proposed resolution to Mr. Wortman prior to the meeting.

The following items were unanimously adopted.

17. Interim Shuttle Bus Contract Modification

NO. 82-0155

The proposed Contract Modification reduces Shuttle Bus Service levels from a minimum of 160 hours per day to a minimum of 144 hours per day effective July 1, 1982. There is a rate adjustment from \$33.90/hour to \$33.92/hour.

This Contract Modification results in a maximum potential cost reduction of \$196,925.00 on an annual basis.

18. Contract 1205 - Central Terminal Upper Floor Remodeling, Approval of Schematic Plan, Authorization to Incorporate Work with Contract 1200B(4), Central Terminal Remodeling, and Transfer of Funds from Contract 1205 to Contract 1200B(4) - \$1,260,000.

NO.82-0156

Proposal to accelerate the construction schedule for remodeling the upper floors of the Central Terminal for Airport Administration offices. Resolution for approval of schematic plans and authorization to



Mr. H. M. Dillon of McInerney Dillon, attorneys for Piombo Corporation said the proposal, as originally set forth, awarded the contract to Piombo. It was his understanding that it was now being awarded to Dalton who is the low bidder by about \$7000. They were advised that Dalton was first rejected because they had not completed the bid as required in connection with minority business enterprises and minority hiring.

Mr. Dillon read through those sections of the bid document that Dalton failed to meet.

Mr. Milt Schwartz of Piombo Corporation said that for years Piombo has been one of the leading contractors who did minority business work and worked with equal opportunity agencies. Piombo has assisted in starting several MBE companies and their relationship with these companies has been monitored by the Human Rights Commission, the state of California, the Federal government, and the City of San Francisco. Mr. Schwartz asked that the Commission not be misled by the innuendos in the statement submitted by Dalton.

Commissioner Coblenz said that the Commission had great respect for Piombo and what its done and the Commission does not believe what anyone else says to the contrary about Piombo. Unless there is something legally wrong then we are obligated to take the lowest bid. Commissioner Coblenz said that each member of the Commission has reviewed the material and they must act on the advice of counsel who says there is nothing technically wrong with the Dalton bid.

Commissioner Goosby said that the Commission has the right to overlook and forgive technical errors.

Commissioner Fleishell said that some serious charges have been made against Piombo and in fairness to them a motion was made requesting that the Human Rights Commission look into this and report back to the Airports Commission to make sure Piombo's name is cleared or, if there is any foundation for the accusations, that it be dealt with. The motion was made by Commissioner Goosby, seconded by Commissioner Fleishell and unanimously carried.

The following resolution was unanimously adopted.

21 Agreement with Hogan and Hartson.

NO. 82-0159

Resolution approving  
Modification No. 8 to  
Agreement with Hogan and  
Hartson, to extend term of  
agreement for one year to  
July 1, 1983.

\* \* \*

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

22. Award of Contract No. 1452  
480V Service to FAA Middle Marker

NO. 82-0160

Resolution awarding Contract  
No. 1452 to Twisselman  
Electric, 115 Stadler Drive,  
Woodside, California 94062 in  
the amount of \$19,975.00.



The purpose of this contract is to replace the existing deteriorated 4160 Volt feeder to the FAA 19L Middle Marker and Shell Dock with a new 480 Volt service from the Water Quality Control Plant.

Bids received on June 2, 1982:

1. Twisselman Electric \$19,975.00
2. Monarch Electric Co. \$25,350.00

Construction time is 90 calendar days.

23. Statistical Adjustments Under the New Lease and Use Agreement.

NO. 82-0161

Resolution adopting, for 1981-82 billing purposes only, certain adjustments to the 1980-81 passenger enplanement and deplanement statistics, pursuant to Section 101.W of the new airline-airport Lease and Use Agreement.

24. Japan Airlines Rental Credit - \$5,943.36

NO. 82-0162

Resolution approving rental credit of \$5,943.36 to reimburse Japan Air Lines for corrective site work which would normally have been done by City maintenance forces.

\* \* \*

I. COMMUNICATIONS:

There was no discussion by Commissioners.

\* \* \*

K. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further business before the Commission, the meeting was adjourned to go into Closed Session at 3:25 PM.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, July 6, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

**LOUIS A. TURPEN**

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

July 6, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER:		1
B.		ROLL CALL:		1
C.		SPECIAL ITEMS:		
	1.	Resolution of Appreciation James Owens Retirement	82-0613	1
	2.	Resolution of Appreciation Joan Owens Retirement	82-0614	1
D.		DIRECTOR'S REPORTS:		
	3.	J. Pack Ticket Aanalysis - Verbal Report		1
	4.	Skycaps - Verbal Report		2
	5.	Airport Parking Revenue Control Update		2-3
	6.	Update on Valet Parking Service		3-4
	7.	Airport Travel Agency		4-5
	8.	Soaps and Lotions Cart		5-7
	9.	Annual Passenger Survey		7
E.		ITEMS INITIATED BY COMMISSIONERS		7
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:		
	10.	Award of Contract No. 1462, Concrete Divider Barrier at East Underpass - \$24,350.00.	82-0165	7
	11.	Award of Contract No. 1466 - \$17,820 Asphalt Paving for Firehouse NO.2	82-0166	7-8
	12.	Professional Services Agreement with Towill, Inc.		8-9
	13.	Modification No. 2 to Professional Services Agreement, Crothall Systems West - \$3,476.00.	82-0167	9
	14.	Request to Replace Retiring Employees Immediately.		9
	15.	West of Bayshore		9-10



16.	Authorization to Bid: Principal Concession Lease and Agreement for Retail Sales in the Central Terminal Building.	82-0169	10
17.	Authorization to Bid: Duty Free/ In-Bond		10
18.	Authorization to Bid: Foreign Currency Exchange Lease.		10-13
19.	Revised Five Year Capital Projects Plan	82-0170	13
20.	Airport Community Roundtable Consultant	82-0171	13-14
21.	Collection Policy for Delinquent Accounts	82-0172	14
22.	Resolutions of Appreciation for Retiring Employees	82-0173 82-0174 82-0175 82-0176	14
23.	Ratification of "Declaration of Emergency" Water Line Failure- \$75,000.00	82-0177	14
24.	Tenant Improvement: PSA Gate 38A, Jet Bridge Relocation, Gateroom Carpet Installation and Signage, T-2660, \$30,000 - No cost to Airport	82-0178	14
H.	COMMUNICATIONS:		14
J.	ADJOURNMENT TO GO INTO CLOSED SESSION		14



Minutes  
of the  
Airports Commission Meeting

July 6, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 P.M., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present: Commissioners Morris Bernstein, William K. Coblenz, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell.

\* \* \*

C. SPECIAL ITEM:

The following items were unanimously adopted.

1. Resolution of Appreciation - James Owens Retirement

NO. 82-0613

2. Resolution of Appreciation - Joan Owens Retirement

NO. 82-0614

\* \* \*

D. DIRECTOR'S REPORTS:

3. J. Pack Ticket Analyses - Verbal Report

Mr. Turpen, Airport Director, said the Airport has been working on a concept whereby an independent group would process citations in San Mateo County. He reminded the Commission that his June 30 letter to them outlined a proposal by San Mateo County. That proposal outlined a shared rate in which the percentage split between San Mateo County would go from 50-50 to 70-30 in favor of the Airport. This would net about \$200,000 more to the Airport in revenues. This assumes an increased collection rate through this independent computer process. If the Commission is in favor of this proposal a resolution will be prepared indicating the Commission's support.

Commissioner Fleishell said the present 50-50 division is based on state law. He questioned whether the effect of a state law could be ameliorated by contract.

Mr. Bill Taylor, Deputy City Attorney, said that would be looked into.

Commissioner Goosby asked who paid the company collecting the tickets.

Mr. Turpen responded that \$1.50 is taken out of each citation collected for processing fees.

Commissioner Goosby asked if this was bid for.

Mr. Turpen responded that this was negotiated with a firm that does this sort of thing. It's like a professional services contract.

Mr. Turpen said a resolution would be brought before the Commission at the next meeting.



#### 4. Skycaps - Verbal Report

Mr. Turpen said this was put on as a carryover item from the last meeting. Staff had nothing further to add however, Mr. Vic Theusen, attorney for the Skycaps, is present.

Mr. Theusen stated that he had been before the Commission on several occasions requesting that the prevailing wage resolution be enforced. It has been brought to his attention that it has been rendered moot as a result of the settlement agreement reached with the airlines. Included in that settlement agreement is a proviso that the Human Rights Commission's no discrimination ordinance be made a part of that settlement agreement as well as any lease and use agreement the airlines are a party to. If that is the case the ordinance requires any contractor or sub-contractor to pay prevailing rates of pay. On that basis he will go before the Human Rights Commission and ask that a complaint be issued in this matter, to enforce their own resolution requiring that the employer of the Skycaps pay prevailing rates of pay, benefits, etc.

Mr. Theusen asked that the item be put over once again to give them the opportunity to go before the Human Rights Commission.

Mr. Theusen stated for the record that their dispute was not with Allied but with the system that puts Allied in a position of not being able to effectively negotiate with the union but rather of having to bow to the interests of the various airlines.

Mr. Turpen said that the item would be put over to a future date pending Mr. Theusen's call to him.

Mr. Richard Holliver of the San Francisco Airport Labor Coalition said that they supported Mr. Theusen and his union in this matter. He said there was a problem at the Airport but the Skycaps were just a tip of the iceberg. In recent weeks they have seen problems with janitorial contractors at several airlines (PSA, American & TWA) who have put contracts out to bid to non-union companies that pay minimum wage, no benefits and in general are abusive to their employees. They often employ a work force composed of immigrants who do not speak English very well and are isolated from the rest of the work force. They are going to the Human Rights Commission to seek redress and they hope for some support from the Airports Commission in enforcing the prevailing wage ordinance.

#### 5. Airport Parking Revenue Control Update.

Director's Report on the progress being made in addressing the parking revenue control problems identified in the CERAND Report and in researching the best permanent revenue control system for the SFIA parking facilities.

Mr. Turpen called on Sheldon Fein, Acting Assistant Deputy Director of Landside Operations to give a report to the Commission.

Mr. Fein stated that a form had been submitted to the Commission indicating the 69 parking revenue control problems that had been identified in the Cerand Report. Fifty two of those items have been resolved. Staff is still working on the resolution of the other items. Twenty airports around the country have been contacted to find out what types of revenue control equipment are being utilized for their parking facilities. Mr. Fein said he hoped to be able to come back to the Commission with a recommendation for a parking revenue control system in the next month.

Commissioner Kadish said that problems differ from airport to airport



and asked if the similarities and differences between the Airports contacted and San Francisco International have been defined.

Mr. Fein said that the chart was incomplete; that there are 10 columns yet to be added. They tried to include several airports of a comparable size to San Francisco International and those airports with advanced systems.

Mr. Fein said there were several major systems that have shown up at various airports across the country and several consultants who have installed those systems. They are combinations of fully or semi-automated systems. We are trying to evaluate the different variables and their size of dollar volume compared with ours and the controls they had before the systems were installed.

Commissioner Coblenz asked Mr. Cerand if he was comfortable with the progress that's been made.

Mr. Cerand replied that their report was completed in March, 1982. They made their recommendations and some of the recommendations are being implemented.

Mr. Cerand said originally their contract was for four phases.

Commissioner Kadish responded that it was her recollection that there was no set contract that would be given. The contract was divided into four parts and at the Commission's discretion they could proceed with any one of the four parts at a particular time. Now that the first part has been completed the question is whether or not to go ahead with part two.

Commissioner Bernstein asked what part two entailed.

Mr. Cerand replied that part two would be based on the results of part one and the recommendations of the Commission and staff to go ahead and design a system and write the technical specification document so it could go out to bid. When phase two is finished you can move into phase three which essentially offers assistance in the bidding process in evaluating the proposals. Phase four assists staff in implementing the system.

Mr. Cerand stated that their proposal and contract spells out these four phases.

Commissioner Fleishell commended staff on their work and in not relying solely on what a consultant tells us.

Mr. Fein said he would be back to the Commission at the second meeting in August with a recommendation.

Commissioner Kadish said that based on the thorough work staff had done to date, a modification of phase two should be considered to incorporate this already completed staff work.

## 6. Update on Valet Parking Service

This is staff's monthly update report on valet service as requested by the Commission.

Commissioner Coblenz stated that he has read the information on valet and concluded that if expenses remained at \$330,000 and the income at \$280,000 he would move to terminate valet parking.

Mr. Fein stated that as a result of the changes that have been made the shortfall has been greatly reduced. The studies had been based on a survey wherein 86 percent of the people said that even with the higher fees they would continue to use the service and that has come out below those projections to date. However, it's only been 45 days.



Mr. Turpen said that a follow up report would be given to the Commission at the first meeting in August.

#### 7. Airport Travel Agency

Memorandum regarding history of existing Soaps and Lotions concession with alternatives for future action.

Mr. Turpen said that the possibility of installing a travel agency at the Airport has been discussed for a long time. It has been difficult for staff to make a recommendation because there is so little history to go on and that there is some question as to the financial viability and the value to the traveling public. Mr. Copelan's report indicates that smaller airports tend to use this service but the larger airports have not yet installed any.

The Airport Director at Seattle-Tacoma has requested a copy of our write-up. They have not progressed as far as we have.

Mr. Copelan's report recommends further study of a Fly San Francisco Information concession with interested travel agencies and the potentials for revenue.

Mr. Turpen suggested that this be pursued..

Commissioner Fleishell asked why we are continuing to pursue something that leads the way in bankruptcy today; anyone can go to an airline and receive all the service they need.

Mr. Turpen said this item came before the Commission some time ago but has never been fully addressed by the Commission.

Commissioner Kadish said it is virtually impossible to go to a ticket counter at the airport and get all the ticket prices for all airlines and their flights to determine the best possible flight and cost for a passenger.

If there is anything that can be done within staff's capabilities that brings revenue into the Airport and serves the passenger then it should be done. One of the functions of this Commission is to make sure passenger services are provided.

Commissioner Kadish commended Mr. Copelan for his report to the Commission.

Mr. Turpen said staff time with concession development in the Central Terminal is very constrained. A recommendation on this item has not been developed. He asked if the item should be continued for the next few months.

Commissioner Kadish said absolutely. Space should be available in the event that staff recommends pursuing this

Mr. Turpen responded that a recommendation should be given to the Commission before all space has been allocated.

Commissioner Goosby asked if there has been any reaction from the airlines and the hotel board on this.

Mr. Jerry Copelan, Airport Property Management, said this has been discussed with the airlines but they have been somewhat reserved in their response. It costs airlines money to sell tickets through travel agencies. He has not discussed it with the hotel board. He has discussed with travel agencies the possibility of paying a fee to be on the board but they have been cool.



Commissioner Goosby said that it might be worthwhile to consider combining them if it is helpful to the traveling public.

#### 8. Soaps and Lotions Cart

Memorandum regarding history of existing Soaps and Lotions concession with alternatives for future action.

Mr. Turpen said this report was in response to a inquiry made at the last meeting by Commissioner Goosby and caused staff to take a look at all permitted operations at the Airport. The report indicates the permitted operations include packaged meats, foreign currency exchange, map vending machines and soaps and lotions.

The foreign currency exchange item is before the Commission today for bid in the Central Terminal.

Commissioner Coblenz asked if the Bank of America had the right to go into the Central Terminal under our lease.

Mr. Turpen replied that it is intended to be the Bank of America. It has two types of facilities on the Airport, a leased bank, and two banking facilities in the Airport, one on the mezzanine of the North Terminal and the other in the South Terminal opposite the International Concourse. There is Foreign Exchange in the South Terminal opposite the International Concourse. Bank of America was the original Foreign Exchange merchant at the Airport. Between 1968 and 1975 Deak made repeated attempts to get a permit at the Airport and in 1975 were granted one. To his knowledge Bank of America does not have a lease.

Commissioner Coblenz said if Bank of America is going to be in the Central Terminal then they will be competing with the high bidder. He doesn't want to put anyone at an unfair advantage. The Bank of America can bid along with other banks. Commissioner Coblenz asked if space has been allocated for a banking facility other than a foreign exchange facility in the Central Terminal.

Mr. Turpen replied yes.

Commissioner Coblenz said we should hold up on it unless we're sure because a bank and a foreign exchange might be one in the same.

Mr. Turpen asked Mr. Skip Conrad, Airport Property Manager, to brief the Commission on this.

Mr. Conrad said the Bank of America operates in the terminals under permit. They have a lease through 1984-85 out in long term parking Lot D. It is his understanding that the banks in the terminals came first. Although The lease was written for the parking lot but it seems that it was modified and the premises was really the terminals. One other requirement to operate at the Airport is a charter. Bank of America is the only institution in California that has a charter to operate at the Airport. It is his understanding that a charter is easily obtained.

The foreign currency exchange is a non-exclusive. The insurance lease also has the right to exchange foreign currency. That lease runs through 1984 or 1985.

Commissioner Coblenz asked how much rent the Bank of America paid for their permit.

Mr. Conrad replied that it was approximately \$35 a foot which is the going rate in the terminals.



Bank of America has expressed the desire to close down some of their facilities and operate only one major bank at the Airport. They have requested the Central Terminal.

Commissioner Fleishell said this was a bid situation.

Mr. Turpen said that staff needed more information on this and that a written report would be given to the Commission in August.

Commissioner Coblenz said a number of questions must be answered namely, what status the Bank of America has at the Airport. Is there any obligation or just a tenancy of will. Second, the availability of this Airport to lease out banking privileges in any of the terminals. Third, do we have a banking facility or a foreign exchange in the Central Terminal, or do we have both?

Commissioner Kadish said that five off-airport companies have delivery permits. Is it contemplated that they would continue to have them and, if so, do we receive anything from them?

Mr. Turpen responded that it was his understanding that we cannot deny them the rights.

Mr. Conrad responded that we get 7-1/2 percent of gross from those permits. The reporting from the permit holders has been declining. Some of the permit holders don't report every month. We are not certain whether that's because they are not selling during the off months or they are not reporting revenues. The current permit holders operate on the basis that no one has an Airport exclusive. One of the items in the principal concession package would be to provide an airport exclusive for retailing, including meats.

Commissioner Kadish asked if this would eliminate off-Airport delivery.

Mr. Turpen said it would eliminate it but it might present a future administrative problem in enforcing it.

Commissioner Goosby asked if there was a legal problem in purchasing goods in town and having them delivered to the Airport.

Mr. Conrad responded that the question was one of enforceability. Could we enforce the contract and prevent an off-Airport operator from delivery at the Airport or at least deliver his goods through the principal concessionaire. It's an untested concept regarding anti-trust.

Commissioner Fleishell asked if we shouldn't do something with the principal concessionaire agreement dealing with the indirect provision of services. Duty Free has a downtown office that pays us part of their revenue as if they were at the Airport.

Mr. Conrad stated that there was a paragraph in the lease referring to a covenant by the principal concessionaire to enforce the exclusivity of the lease.

Mr. Turpen said that there were two issues here. One is an operating problem. It is simply a matter of whose going to have access to the airfield to make deliveries. The question is how we direct or control those things as they come into the Airport. Is it through the principal concessionaire?



Mr. Turpen stated, by way of review, that foreign currency exchange and packaged meats will not be pursued at this time since these issues will be addressed with the relocation in 11 months. The mapbox will be bid in December, after we take a look at the market, and soaps and lotions will be bid in September or October of this year.

#### 9. Annual Passenger Survey

Mr. Turpen said that additional categories had been added to respond to the Commission's desires as reflected in the passengers concerns. The service rating has continually improved. He noted the significant increase in Airport parking as a result of the landside crew and the signing of the garage. Although our rates have gone up, usage is up in excess of 22 percent.

Commissioner Kadish said that it was noteworthy that Airport parking has increased but other areas have gone down. They are, passenger assistance, passenger information and care of the restrooms. She felt that a drop in the areas of passenger assistance and information was significant and asked for an analysis with recommendations on how those areas could be improved.

Mr. Turpen said it would be looked at and an analysis with alternatives and recommendations would be given to the Commission.

Commissioner Kadish said that the "-70" should read "+70" next to the "Airport Shops" item.

\* \* \*

#### E. ITEMS INITIATED BY COMMISSIONERS.

There were no items initiated by Commissioners.

\* \* \*

#### F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were unanimously adopted.

10. Award of Contract No. 1462, Concrete Divider Barrier at East Underpass - \$24,350.00.

NO. 82-0165

Resolution awarding Contract 1462 to Modern Alloys, Inc., Box 158, San Ramon, CA 94583 for \$24,350.

Three bids were received June 21, 1982 as follows

<u>Contractor</u>	<u>Amount Bid</u>
1. Modern Alloys Inc.	\$24,350.00
2. Piombo Corp.	\$29,800.00
3. W.A. Smith Cont.	\$32,245.00

Construction time is 30 calendar days.

11. Award of Contract No. 1466 - \$17,820 Asphalt Paving for Firehouse No. 2

NO. 82-0166

Resolution awarding Contract No. 1466, Asphalt Paving for Firehouse No. 2, to The Lowrie Paving Company, Inc., 1321 Lowrie Avenue, P.O. Box 2465, South San Francisco, California 94080, in the amount of \$17,820.



Bids received on June 23, 1982:

1.	The Lowrie Paving Company, Inc.	\$17,820.00
2.	O.C. Jones & Sons	\$20,585.00
3.	Fisk Firenze & McLean, Inc.	\$20,630.00
4.	Piombo Corporation	\$21,517.00

Construction time is 14 calendar days.

The following item was put over.

12. Professional Services Agreement with Towill, Inc.

Resolution approving  
Professional Services  
Agreement with Towill, Inc.  
to update Base Drawings for  
utility maps of San Francisco  
International Airport at a  
fee of \$57,600.00.

Commissioner Coblenz asked why the professional services agreement was not being awarded to the low bidder.

Mr. Turpen responded that it was the feeling of the staff that Towill had done work for us in the past; that the bids were very close; that the incremental difference would be absorbed by reacquainting someone with the benchmarks and the data necessary for the photographic techniques. Staff has been satisfied with Towill's work and recommends they be retained.

Commissioner Kadish asked the City Attorney if the Commission was required by City Charter to accept only the lowest bid.

Mr. Bill Taylor, Deputy City Attorney, replied not in the case of a professional services contract.

Commissioner Kadish asked what factors and determinants were used in recommending the second lowest bidder.

Mr. Leon Bitners, Acting Deputy Director of Engineering, replied that the biggest determining factor was the amount of assistance that the company will have to be given. Since Towill has done the work before the controls have already been established requiring less staff effort and cost.

Commissioner Goosby said the purpose of the bidding process is to get the lowest bidder unless there was some technical reason why that bid should not be chosen.

Mr. Turpen said the low bidder would be accepted if it was the Commission's desire.

Commissioner Coblenz said that while there was a \$1200 difference staff time would far surpass that amount. That time could be spent doing something else.

Mr. Robinson of Towill, Inc. pointed out that the project required that the City do the pre-work on the ground so they can put their maps together accurately. This was done in 1969 and 1972. Marks are on the ground and about 70 or 80 percent must be gone over. The City would have a minimal amount of work to do. Starting from scratch may well involve extensive City time in putting in the ground control.

Commissioner Fleishell asked if the procedures Towill used on the ground could be understood by other companies.



Mr. Robinson responded that anyone can understand them however, some choose to do it differently.

Mr. Robinson stated that Towill has been in the City for 25 years; they employ City people; they pay about \$2,000 a month in taxes to the City. They hope that by putting City people to work and paying City-level wages they can continue to work on City projects.

Commissioner Kadish asked Mr. Bitners if he would prepare a report for the next meeting on how many Airport employee hours would be necessary for each of the bids.

Commissioner Goosby asked if Mr. Robinson would also report on the number of San Francisco residents they employ.

Mr. Robinson suggested that it might be beneficial to find out how much the out-of-town consultants will pay San Francisco in taxes this year.

Mr. Turpen said it might be helpful to take a look at which system is used by each firm. Will they use the existing system minimizing our labor and, if not, what will our estimated labor costs be.

The following item was unanimously adopted.

13. Modification No. 2 to Professional Services  
Agreement, Crothall Systems West - \$3, 476.00

NO. 82-0167

To add P.S.A. Boarding Area "C" (\$900.00) and in addition to add Airborne Freight Building and Pan American Buildings (\$2,567.00) to the E.P.I.X., Inventory and Equipment System. Total Cost: \$3,476.00

The following item was moved to the Closed Session

14. Request to Replace Retiring Employees Immediately.

Resolution to authorize that the Mayor be requested to recommend to the Board of Supervisors a supplemental appropriation of \$74,990.37 from the Unreserved Fund Balance for the purpose of authorizing immediate replacement of the Deputy Director, Planning and Development and the Principal Engineer.

The following item was adopted 4-1 with Commissioner Bernstein casting the dissenting vote.

15. West of Bayshore

NO. 82-0168

Resolution finding that 94 acre portion of property West of Bayshore can no longer be advantageously used by the Airports Commission and consenting to its transfer to the City's Real Estate Department.



Commissioner Coblenz said this item adds to the previous resolution that on the transference a six member committee be established to advise and counsel the Director of Properties; two members to be appointed by the Mayor, two by the Board of Supervisors and two by the Airports Commission. The Commission unanimously agreed to these changes.

Commissioner Bernstein said he thought it had been decided that nothing would be done with this until the Airline Settlement Agreement had been finalized.

Commissioner Fleishell stated he had raised this same question with regard to the transfer of \$6-million from the Airport to downtown. Mr. McElhinney advised that even though there is a small snag in finalizing the suit, we have done all that is required to do and as far as McElhinney is concerned, the suit is settled.

Mr. Turpen said Mr. Wortman is supportive of the concept of a committee. We are prepared to transfer the property at such time as he and his department are ready to accept it. Further, members of the Roundtable have asked that a county representative, either from San Bruno or Millbrae, be appointed to this committee.

Commissioner Coblenz said that the Mayor, the Board of Supervisors and the Commission will appoint citizens of San Francisco who have as a common goal the betterment of San Francisco and not San Bruno or Millbrae.

The following item was adopted 4-1 with Commissioner Bernstein casting the dissenting vote.

16. Authorization to Bid: Principal Concession Lease and Agreement for Retail Sales in the Central Terminal Building.

NO. 82-0169

Resolution approving specifications for a Central Terminal Principal Concession Lease and Agreement for Retail Sales.

The following items were put over.

17. Authorization to Bid: Duty Free/In-Bond Merchandise Sales Leases

Resolution approving specifications for a Central Terminal Duty Free/In-Bond Merchandise Sales lease.

18. Authorization to Bid: Foreign Currency Exchange Lease.

Resolution approving specifications for a Central Terminal Foreign Currency Exchange lease.

Mr. Turpen asked that items 16, 17 and 18 be taken together and called on Mr. Skip Conrad to brief the Commission.

Mr. Skip Conrad, Airport Property Manager, called the Commission's attention to two changes that were made. The first page (referring to the background information in the Commission packages) which is the second level concourse, boarding area D, Central Terminal, relocates the Flower Shop, which is item #4 from the south side of the concourse to the north side. This provides greater store front on the south side of the concourse.

The other change is on the following page. Host's agreement has been



obtained to add a newsstand area and remove a locker area and a battery of three telephones. This is item #1 near the Host bar.

Commissioner Kadish asked why lockers would be placed in that area.

Mr. Conrad said that it is staff's experience that lockers on the piers receive substantial utilization.

Commissioner Kadish said she could not conceive of lockers being a necessity in a departure area of an international terminal. It will create problems such as the need for special bomb proof construction. She questioned whether the expenditure would be commensurate with the need.

Commissioner Kadish asked Mr. Conrad how many telephones would be removed from that area and how many would remain.

Mr. Conrad said there will be 192 phones in the Central Terminal. There will be about 40 phones on that pier.

Mr. Turpen said, with respect to the lockers, that staff would take a look at the existing international area and determine if there are lockers there and the degree of utilization. With respect to the phones, he is personally involved in weekly meetings with the telephone company concerning the phones and their distribution in the terminal. He will get back to the Commission on both these areas.

Mr. Conrad said that if the Commission agrees the premises for the Principal Concessionaire, foreign currency exchange and duty free concession be as outlined on the two drawings. The changes indicated were recommended at the pre-bid conference.

Commissioner Bernstein asked how many square feet to Duty Free and reduced the rent for Principal Concessionaire..

Mr. Conrad replied that Principal Concessionaire had 9900 square feet and Duty Free had 8304 on the upper level and 1430 on the first level.

Commissioner Bernstein said the rent was raised for Duty Free and reduced for Principal Concessionaire.

Mr. Conrad responded that the rent for Duty Free was raised to 15 percent. Principal Concessionaire was reduced from 25 percent to 20 percent. Although nothing was said at the pre-bid conference on the 25 percent several concessionaires called immediately after the pre-bid conference and expressed their reservations about the 25 percent versus the 20 percent. They felt the cost of the affirmative action program, the cost of improvements and the start-up costs warranted a 20 percent rather than a 25 percent rental.

Commissioner Coblenz said he thought the minimum bid was inordinantly high based upon what Duty Free was making last year.

Mr. Conrad replied he wanted to highlight the problems that the bidder had with each agreement.

Mr. Conrad said the minimum acceptable bid for Duty Free was found by one bidder to be high. Some bidders wanted to reserve judgment and others seemed to think it was possible. If the Duty Free minimum acceptable was changed he would recommend that the allowable increase from year one to year two, etc. be increased from 10 percent to 15 or 20 percent.

Commissioner Fleishell expressed his concern that on the basis of changing from \$2.2-million to \$3-million annually you are assuming that the gross would be increased up to \$20-million. On the basis of new treaties with Japan and direct flights from Chicago and Seattle to Tokyo there is nothing to indicate there will be a greater volume of people. Commissioner Fleishell worries that at some point a duty free operation would be started downtown and we won't get a nickle.

Mr. Conrad said that based on his conversations with Duty Free Shoppers the \$2.5-million would be an acceptable minimum bid.



Mr. Lyons of Duty Free said they had raised the objection to the \$3-million minimum. The minimum today is \$2,250,000. It is proposed that the minimum go to \$3-million, an increase of 33 percent. That means that our sales must increase over 50 percent. Duty Free feels this is unrealistic. The new Central Terminal offers benefits coming from additional space, however, there are three factors which go to mitigate that space. First, is the flat or declining market, particularly this year and particularly in travel to the Far East; Second, is the devaluation of the Mexican peso from 40 to 50 percent; third the route case, which Commissioner Fleishell referred to, is a source of uncertainty.

Mr. Lyons stated that Duty Free recommended to staff that they keep the minimum at \$2,250,000 or increase to \$2.5-million. Duty Free feels that in order to hit the \$3-million guarantee they would have to charge excessive retails.

Commissioner Coblenz said he felt the \$3-million was high and the public would end up paying for it.

Commissioner Kadish asked Mr. Lyons if the Airport receives a percentage when items are sold at the Sutter Street store.

Mr. Lyons said that was part of the gross revenues and the Airport receives a percentage.

Mr. Conrad said the bid on this item is the aggregate bid for the sum of 5 years rent; if the bid was \$2-million for each of the 5 years the bid item would be \$10-million. A restriction is being proposed wherein the bidder would not be allowed to increase year two's bid over year one or any subsequent years bid minimum over a prior year by greater than 10 percent. This was to prevent a bidder in the last year or two of a bid to inordinantly raise the minimum to insure getting the bid. If the \$2.5-million recommendation is adopted Mr. Conrad suggested that the maximum allowable difference between one year and the prior year be raised from 10 percent to 15 or 20 percent.

Commissioner Fleishell asked if a lease could be written calling for a 5 year aggregate dollar bid requiring it be equally distributed over a 5-year term.

Mr. Conrad said you could but that's generally not the way it's done. The Commission might want an inflationary measure put into the bid package. Mr. Lyon's primary objection to the way we normally do our bids is that it doesn't provide a duty free entrepreneur the opportunity to project his costs in year two or three.

Commissioner Coblenz recommended the minimum acceptable bid be \$2.5-million. He asked this item be put over so that the Commission could have the opportunity to review Honolulu's formula.

Mr. Lyons said he could provide the formula for the Commission.

Commissioner Goosby asked why this was a five-year term instead of a ten-year term.

Mr. Conrad said Duty Free has a substantially higher volume than Principal Concessionaire therefore a longer term would not be required to amortize the initial investment. Similarly there is no affirmative action in the Duty Free Concession perse. It is the belief of most of the bidders that some cost would be incurred by the successful bidder in the administration and financing program.



Mr. Spring of Host felt that the five-year term was inadequate because the investment requirement far exceeds the development costs. Host's initial recommendation was a ten-year term and if that was unacceptable to the Commission a 7-1/2 year term would be equitable. The shorter term applied the more discriminatory it is to other bidders. The bids would be more aggressive by more companies if the term was lengthened to 7-1/2 years.

Mr. Turpen stated, with respect to Duty Free that the Commission is in agreement with the \$2.5-million; staff would get back to the Commission with regard to the percentage, the Honolulu formula and with a further review of the term with alternatives in those areas for the next meeting.

Mr. Spring stated his concurrence with Duty Free as to the inappropriateness of a CPI in a Duty Free lease. The other area of concern is the insufficient storage space provided for the Duty Free Concession within the terminal complex. He realizes that there is just so much space available but if there is any way to partially alleviate that problem with storage space on Airport even though it would not be in the terminal it would be a great advantage to prospective bidders.

Mr. Turpen asked Mr. Conrad to brief the Commission on Principal Concessionaire.

Mr. Conrad said he had received a copy of a letter to Mr. Turpen from Mr. Spring, dated today, which raised several questions.

He spoke briefly to Mr. Spring this morning about the questions that had been raised; he went over both the questions and his responses.

Commissioner Kadish asked if the item should be put over.

Mr. Conrad said he preferred to go ahead with this item with the provision that the Director had the discretion to change the CPI.

This item was put over to the next meeting.

Mr. Turpen asked Mr. Conrad if foreign currency exchange lease could be put over or was there a time frame problem.

Mr. Conrad replied no.

Mr. Turpen said because of the questions on the bank he didn't think they were ready to make any commitments at this time.

Mr. Conrad said the only question raised was whether an exclusive could be offered. The present insurance concessionaire has the right to transact foreign currency exchange. He does not have a specified right to be in the Central Terminal.

This item was put over to the next meeting.

The following items were unanimously adopted.

19. Revised Five Year Capital Projects Plan

NO. 82-0170

Resolution approving the revised Five-Year Capital Projects Plan dated June 24, 1982.

20. Airport Community Roundtable Consultant



NO. 82-0171

Resolution for the Airports  
Commission to share in  
expense of a part-time  
outside consultant to the  
Airport Community/Roundtable.

Mr. Turpen stated San Mateo has not committed their portion of funds nor have the other communities. He recommended the resolution be adopted subject to their committing those funds. The resolution does not reflect this stipulation but will be amended.

21. Collection Policy for Delinquent Accounts

NO. 82-0172

Resolution approving  
Collection Policy to impose a  
finance charge if payment or  
report from Airport tenant is  
not received by due date.

22. Resolutions of Appreciation for Retiring Employees.

NO. 82-0173

George Carroll

NO. 82-0174

Gordon Watkins

NO. 82-0175

Patrick Higgins

NO. 82-0176

Globatta Cavo

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The following items were unanimously adopted.

23. Ratification of " Declaration of Emergency" Water Line Failure - \$75,000.00

NO. 82-0177

24. Tenant Improvement: PSA Gate 38A, Jet Bridge Relocation, Gateroom Carpet Installation and Signage, T-2660, \$30,000 - No cost to Airport.

NO. 82-0178

Resolution approving the  
plans and specifications  
submitted by Pacific  
Southwest Airlines for the  
relocation of an existing jet  
bridge from Gate 38 to Gate  
38A, and installation of  
carpeting and signage. No  
Cost to Airport.

\* \* \*

H. COMMUNICATIONS:

There were no items taken up by Commissioners.

\* \* \*

J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting was adjourned at 4:25 p.m. to go into closed session.

\* \* \*



Jean Caramatti  
Secretary  
Airports Commission



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, July 20, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

<u>Calendar Section</u>	<u>Agenda Item</u>	<u>Title</u>	<u>Resolution Number</u>	<u>Page</u>
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES	82-0180	1
D.		ANNOUNCEMENT BY SECRETARY	82-0179	1
E.		DIRECTOR'S REPORTS		
	1.	Central Terminal Lockers		1-2
	2.	Availability of Central Terminal Storage Space		2
	3.	Lease and Permit Rights of Bank of America at SFIA		2-3
	4.	Results of Variance Hearing		3
	5.	Noise Contours		3
	6.	Custodial Services		3
F.		ITEMS INITIATED BY COMMISSIONERS		3
G.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	7.	South Terminal Modernization Program-- Approval of Master Plan, Budget & Schedule	82-0181	3-4
	8.	Professional Services Agreement with Towill, Inc.	82-0182	4
	9.	Professional Services Agreement with Robert B. Wong, A.I.A., Architect -- Award of Contract \$29,800	82-0183	4
	10.	Modification of Lease - Insurance Services Lease	82-0184	4-5
	11.	Authorization to Bid: Foreign Currency Exchange Lease		5-7
	12.	Authorization to Bid: Duty Free/In-Bond Merchandise	82-0185	7
	13.	Bid Call: Contract No. 1461 Wood Lockers for Firehouse No. 1	82-0186	7
	14.	Bid Call: Contract No. 1455 Shuttle Bus Maintenance Building	82-0187	8
	15.	Bid Call: Contract No. 1465 Integrated Alarm System - North Connector	82-0188	8



Calendar Section	Agenda Item	Title	Resolution Number	Page
	16	Supplemental Appropriation - Supervisory Differential Adjustment	82-0189	8
H.	:	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
	17.	Declaration of Emergency - Removal of PCB Contaminated Material at Central Terminal	82-0190	8-9
	18.	Resolution of Appreciation for Lawrence Tuvo, a Retiring Employee	82-0191	9
	19.	West of Bayshore	82-0192	9
I.		COMMUNICATIONS		9
J.		CLOSED SESSION		1
K.		ADJOURNMENT		9



Minutes  
of the  
Airports Commission Meeting

July 20, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m. in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:

Commissioner Morris  
Bernstein, William K.  
Coblentz, Ruth S. Kadish,  
Z.L. Goosby, J. Edward  
Fleishell

\* \* \*

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of June 1, 1982 were adopted by order of the Commission President.

NO. 82-0180

\* \* \*

D. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary, announced the unanimous adoption of Resolution 82-0179, authorizing settlement of a litigated claim at the meeting of July 6, 1982.

\* \* \*

J. CLOSED SESSION:

The meeting was adjourned at 2:05 p.m. to go into closed session and was reconvened at 2:25 p.m.

\* \* \*

Commissioner Bernstein left the meeting at 2:25 p.m.

\* \* \*

E. DIRECTOR'S REPORTS:

(1) Central Terminal Lockers - Written Report

Report outlining locker locations and the potential for use in the Central Terminal.



Mr. Turpen, Airport Director, stated that the Commission had raised a question concerning lockers in the Central Terminal and the use of existing lockers in the South Terminal. There are 70 lockers in the International area, 12 in Rotunda A and 68 on the pier. The lockers on the pier are heavily used while the lockers in the Rotunda are used less frequently but are less visible. Los Angeles indicates that their 240 lockers are heavily used. There are three locker locations planned for Boarding D; one is out on the boarding area itself and there two locations in the Central Terminal proper. It is recommended they be retained.

Commissioner Kadish said there were several questions left unanswered and she wanted staff to respond to them prior to moving ahead. She wanted to know when passengers used lockers; the nature of carry on luggage as it relates to locker size; who uses lockers; where lockers are used. Referring to diagram, Commissioner Kadish commented on the recommended locations for lockers. She asked for additional information that justifies the numbers and locations of these lockers before any action is taken.

Commissioner Coblenz said the item would be put over until that information is available.

Mr. Turpen said a report would be given at the first meeting in September.

## 2. Availability of Central Terminal Storage Space - Written Report.

Report detailing the availability and potential of unused space in the Central Terminal and the interterminal connectors.

Commissioner Kadish said there is 6000 square feet of space available for storage or offic space. Commissioner Kadish wanted to know how much of that space should be set aside for new airlines and how much could be used for concessions. Once this has been identified it should be included in bid documents to inform bidders that that potential additional space may be available to them on a month to month permit basis.

Mr. Turpen said that all space not already allocated will be identified. Many of those spaces can only be accessed from the airfield and were designed as support space for ramp operations. There is some space that does not require field access. That space could be identified in the bid documents as being available on a permitted basis and potential bidders could be advised that space was subject to aviation demands.

Mr. Skip Conrad, Airport Property Management, described the available space and indicated locations on a chart.

## 3. Lease and Permit Rights of Bank of America at SFIA - Written Report

Report outlining: Bank of America's lease and permit history at SFIA, and its existing legal rights, duties and locations; various federal and state operating constraints relative to banks and savings and loans; the viability of bidding publicly on-Airport banking privileges.



Commissioner Coblenz said that the report was fairly complete and asked if there were any questions. There were no questions or comments.

#### 4. Results of Variance Hearing

Mr. Turpen said he sent out copies of the variance hearing results from CALTRANS. Airport staff is going over the results and developing an action plan for each area that was indicated as a requirement for the variance. A report will be given to the Commission at the first meeting in September detailing staffs progress in satisfying the conditions of the variance.

#### 5. Noise Contours

Mr. Turpen stated that in April 1981 the Commission approved ANMAP. One of the objectives of ANMAP was to reduce noise around the Airport. The noise contours for December 1981 have just been received and tabulated. Aircraft noise impacts have been substantially decreased from 1980. Mr. Turpen listed the reasons for this as being the retrofit by the airlines, the elimination of some of the noisier aircraft, strong emphasis on the part of the Airports Commission of its noise abatement posture, active involvement of the airline community. They deserve to be complimented on their efforts to date.

Mr. Turpen stated that if we can eliminate the 850 homes in the 70CNEL contour there is a remote possibility that we might be able to eliminate the need for a variance.

#### 6. Custodial Services

Monthly update

Mr. Turpen said the Commission will be receiving a report on custodial services in the North Terminal. All tenants, except for one, rated the services of the in-house forces as superior to those of the private contractor. However, there was some indication that service in the men's and women's washrooms in the North Terminal had slipped from previous reports. Adjustments have been made and it is hoped that those ratings will improve at the next meeting.

\* \* \*

#### F. ITEMS INITIATED BY COMMISSIONERS

There were no items initiated by Commissioners.

\* \* \*

#### G. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following items were unanimously adopted.

##### 7. South Terminal Modernization Program -- Approval of Master Plan, Budget and Schedule.

NO. 82-0181

In accordance with the approved reduction in scope of work for the South Terminal Modernization Program, Howard Friedman, the staff, and the airlines have developed a revised Master Plan, Master Budget, and Master Schedule. A draft of these documents will be presented to the Commission for review and approval.



Mr. Howard Friedman, Howard A. Friedman & Associates, gave a brief overview of the South Terminal revised Master Plan. The main purpose is to remodel, enhance and add to the South Terminal and bring it up to a standard equal to the North Terminal.

Mr. Friedman said the basic difference between the initial master plan and the revised master plan is accepting the Boarding Area A configuration as it is. Pointing to a chart of the South Terminal, Mr. Friedman indicated the areas of construction and refurbishings. The entire project is anticipated to take 4-1/2 years.

Commissioner Kadish said it was good to see that the project was being handled so efficiently and that we were saving money.

Commissioner Coblenz said it was an exciting project and made a great deal of sense.

Commissioner Goosby asked how much more concession space would be available in the South Terminal.

Jason Yuen, Director of Bureau of Terminal Construction, said there would be roughly double the space.

Commissioner Kadish remarked that there would be no additional gate space, in fact, there would be fewer gates than in the original master plan.

Mr. Turpen said that was correct.

Mr. Friedman said he hoped to come back to the Commission at a future meeting, possibly in August, with recommendations on the definitive package.

#### 8. Professional Services Agreement with Towill, Inc.

NO. 82-0182

Resolution approving Professional Services Agreement with Towill, Inc. to update Base Drawings for utility maps of San Francisco International Airport at a fee of \$57,600.00.

#### 9. Professional Services Agreement with Robert B. Wong, A.I.A., Architect -- Award of Contract \$29,800.

NO. 82-0183

Resolution awarding contract to Robert B. Wong, A.I.A., Architect to provide professional services for the construction of finished spaces for the U.S.O., Military Services Agencies, Airport Community Affairs Offices, Landside Operations offices, Game Room, and Passenger Services Center.

#### 10. Modification of Lease - Insurance Services Lease

NO. 82-0184

Resolution approving modification of Mercury International Sales and Services lease for Insurance services and authorizing a rental credit for an amount not to exceed \$12,000.00.

Commissioner Kadish asked if Traveler's Aid had been contacted, if they approved of this combination, and if Traveler's Aid wasn't needed on exit rather than entrance.



Mr. Skip Conrad, Airport Property Manager, replied that he had not talked to Traveler's Aid. He was recommending that an information booth be situated at Traveler's Aid.

Commissioner Kadish felt it was arbitrary to make a decision relative to an agency without having consulted with them.

Mr. Turpen said that traditionally Traveler's Aid has been located on the departure level. He has talked to them about going on to the arrivals level as well in some sort of transit information related program.

Since there is a problem with the number of volunteers and the ability to staff those functions on the lower level their activities have been confined to the upper level for the time being until a program can be developed for the lower level.

Commissioner Coblenz suggested this item be passed subject to it being worked out with Traveler's Aid.

The following item was put over.

11. Authorization to Bid: Foreign Currency Exchange Lease.

Resolution recommending leasehold specifications and authorization to bid concession agreement for Central Terminal foreign currency exchange lease.

Mr. Skip Conrad said that what was being recommended was approval of the bid authorization for foreign currency exchange. It is recommended that it be bid and awarded to one bidder for four locations with a minimum acceptable bid of \$35,000 a year, a term five years and a minimum experience requirement of three years prior foreign currency exchange experience with a minimum capitalization of \$500,000. The Commission has received a letter from Deak Perera objecting to the proposed nature of the bid. Deak made no objections at the pre-bid conference however, they had made staff aware of this previously.

Staff recommends that foreign currency exchange be bid as one lease. The four locations cited in the lease were selected to provide broad coverage in the terminal, with one central location. Dividing the lease with two separate agreements and two locations each would not optimally serve the public.

Commissioner Fleishell worries that if you have a foreign currency exchange with no requirement that a banking facility be maintained the bank currently there might leave.

Mr. Conrad responded that he has received some preliminary interest from some banks as to banking services at the Airport; some major California banks are not interested. Some bank officials say they won't make money or they'd make a minimal amount on the banking operation in the terminal. However, he has been advised there is a profit in the exchange of foreign currency.

Commissioner Fleishell asked, for that reason, if those facilities should be tied together.

Commissioner Coblenz said it was his understanding that Citicorp is anxious to come to S.F.O. They are currently in Hawaii. He asked if they were only involved in foreign currency exchange?

Mr. Conrad said yes.



Ms. Theana Kastens, Deak Perera, stated they were seriously threatened in San Francisco; that if they are put in a position of bidding against a major bank holding company it would effectively put them out of business at San Francisco International Airport. It is to the Airport's advantage to have competition. The rates will be more competitive if a firm at the Airport specializes in foreign exchange. When you have more than one firm the hours are more flexible and can cover all flights. You also have a higher quality of staffing on hand with bi and tri-lingual staff.

Ms. Kastens stated that Citicorp has not objected to the services being required or mandated however they have no experience and cited the example of accepting Eurochecks.

Ms. Kastens remarked that the Airport would be ensuring service by having two of the locations earmarked for a firm that specializes in foreign exchange.

Commissioner Coblenz remarked that while the Commission is desirous of service at the Airport it has the obligation of maximizing the income. It is also incumbent on the Commission to place whatever conditions they have in a contract.

Commissioner Goosby asked if the Bank of America plans to maintain there bank in the Central Terminal even though it is not profitable.

Mr. Conrad responded that they wish to retain the bank.

Mr. Turpen said that the Bank of America is presently evaluating their commitment at the Airport.

Commissioner Coblenz said it is essential that banking services be offered at the Airport not only for visitors but for the employees of the Airport and airlines.

Mr. Turpen wondered if foreign exchange services were cut would the bank elect to remain.

Commissioner Coblenz said that he originally proposed bifurcated bidding for a number of reasons. It would give an opportunity to Deak Perera, who has been here before, to come in on an equal footing. He also wanted to be sure to get banking facilities.

Commissioner Coblenz inquired of some banks as to their interest in coming to the Airport. Two of the banks responded that if it were just for banking facilities they would not be interested.

Mr. Conrad said the thrust of Ms. Kastens letter was to preclude Citicorp from bidding.

Commissioners Coblenz and Kadish said that was not their interpretation of the letter.

Mr. Conrad recommended retaining the four proposed foreign currency exchange locations. That lease would have all the required services detailed at the pre-bid conference.

He recommended allowing the bank to perform foreign currency exchange in its locations but would not have the prime foreign currency locations.

Mr. Turpen suggested further research on banking locations.

Ms. Kastens said that in their proposal they did not address the issue of banking. They assume that the bank facility would continue as it was.

Mr. Turpen said, by way of clarification, that staff would take a look at locations for foreign exchange, for banking operations locations and banking services.



The following resolution was unanimously adopted as amended.

12. Authorization to Bid: Duty Free/In-Bond Merchandise

NO. 82-0185

Resolution recommending leasehold specifications and authorization to bid concession agreement for Central Terminal duty free-in-bond merchandise lease.

Commissioner Kadish moved this item with the understanding that their shall be placed in the resolution a statement requiring that the bid documents identify the availability of potential support space to bidders on a month to month basis if not assigned or taken by airlines.

Commissioner Kadish asked that the same resolve be added to principal concessionaire bid.

Commissioner Fleishell complimented Mr. Conrad and staff on the work they have done.

The following items were unanimously adopted.

13. Bid Call: Contract No. 1461  
Wood Lockers for Firehouse No. 1

NO. 82-0186

Resolution approving the final plans and specifications, and authorizing the Director of Airports to call for bids for Airport Contract No. 1461, Wood Lockers for Firehouse No. 1.

The work consists of building and installing new wood lockers for new Firehouse No. 1 building.

Commissioner Kadish commented that the Commission had been told that there would be no addendum to the Firehouse lease. She asked why the lockers were not included in the original contract.

Mr. Turpen replied that the Firehouse exceeded the budget and efforts were made to cut back on the amount of money to be expended. Wood lockers were anticipated as part of the original design as a deduct, roughly \$25,000. When the Commission decided to restore the wood lockers rather than relocate the existing wood lockers, the contractor said it would cost \$50,000. Staff went to a separate contractor to have the lockers installed at a cost of \$25,000.

14. Bid Call: Airport Contract No. 1455  
Shuttle Bus Maintenance Building

NO. 82-0187

Resolution approving the final drawings and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1455, Shuttle Bus Maintenance Building.

15. Bid Call: Contract No. 1465  
Integrated Alarm System - North Connector  
Communications Center



NO. 82-0188

Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1465, Integrated Alarm System, North Connector Communications Center.

The purpose of this contract is to furnish and install a micro-processor software-based alarm detection and reporting system, modify existing alarm systems, and provide all interconnecting wiring for a complete operational system.

Construction time is 105 calendar days.

This project is part of the M & R Program.

16. Supplemental Appropriation -  
Supervisory Differential Adjustment

NO. 82-0189

Resolution requesting a supplemental appropriation to fund supervisory differential adjustment resulting from amendment of 1981-1982 Annual Salary Standardization Ordinance.

\* \* \*

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

17. Declaration of Emergency - Removal of PCB Contaminated Material at Central Terminal

NO. 82-0190

On July 8, 1982, workmen discovered PCB material underneath the Central Terminal Building. Work at the Central Terminal is stopped until the area is decontaminated. An emergency was declared so that IT Corporation, a licensed contractor for removal of PCB, can immediately remove the hazardous material. Estimated cost for this work is \$25,000 maximum.

18. Resolution of Appreciation for Lawrence Tuvo, a Retiring Employee

NO. 82-0191

19. West of Bayshore

NO. 82-0192

Amendment to prior resolution adopted July 6, 1982.



\* \* \*

I. COMMUNICATIONS:

There were no items discussed by Commissioners.

\* \* \*

K. ADJOURNMENT:

There being no further calendared business before the Commission the meeting was adjourned at 3:35 P.M. to go into Closed Session.

\* \* \*



Jean Caramatti

Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, August 3, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ANNOUNCEMENT BY SECRETARY		1
D.		SPECIAL ITEM		
	1.	Resolution of Appreciation - Robert G. Lee	82-0196	1
E.		DIRECTOR'S REPORTS		
	2.	J-Park		2
	3.	California Public Utilities Commission Licensing Policy	82-0197	2
	4.	Airport Parking Facilities - Revenue Control		3
	5.	Recommendations on Parking Revenue Control System and Consultant	82-0198	3-4
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES AND OPERATIONAL DECISIONS		
	6.	Travel/Inspection of Out-of-State Airport Parking Revenue Control Systems, SFIA	82-0199	4
	7.	Attendance at AOCI Conference	82-0200	4
	8.	Approval of Leasehold Term Princi- pal Concession and Duty Free Leases	82-0201	4-5
	9.	Approval of Lease - U.S. Postal Service		5
	10.	Three resolutions approving Type II Contract Modifications for Three Central Terminal Complex Contracts, 1200B(4), and 1220.	82-0202 82-0203 82-0204	5-6
	11.	Airport Development Aid Program (ADAP - 13) Project Application of \$4.7-million.	82-0205	6
	12.	Professional Services Contract with I.P. Sharp Associates Inc.		6
	13.	Modification No. 3 to Professional Services Agreement with Crothall Systems West - \$17,856.	82-0206	7
	14.	Request Authorization to Spend Remainder of Funds Allocated for Mid-Management Training.	82-0207	7
	15.	United Air Lines Employee Open House Waiving Landing Fees	82-0208	7



G. CONSENT CALENDAR OF ROUTINE  
ADMINISTRATIVE MATTERS

16.	PSA Rental Credit	82-0209	8
17.	Tenant Improvement - Elson's Personalizing Shop North Terminal	82-0210	8
18.	Tenant Improvement - United Airlines Maintenance and Operations Center Improve- ments to Ventilating System, Metal Spray Room - Bldg. 84 T-2667 - \$35,000	82-0211	8
H.	COMMUNICATIONS		8-9
I.	TRAILING CALENDAR		9
J.	ADJOURNMENT TO GO INTO CLOSED SESSION		9



Minutes  
of the  
Airports Commission Meeting

August 3, 1982

A. CALL TO ORDER: The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, CA

\* \* \*

B. ROLL CALL:

Present:

Commissioners  
Morris Bernstein  
Ruth S. Kadish,  
Z. L. Goosby  
J. Edward Fleishell

Commissioner Fleishell was excused from the meeting at 2:05 p.m. to attend a meeting with City Attorney George Agnost regarding rate litigation.

Commissioner William K. Coblenz joined the meeting at 2:09 p.m.

\* \* \*

C. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Secretary to the Commission, announced the unanimous adoption of resolutions 82-0193 approving settlement of a litigated claim; and 82-0194 authorizing immediate filling of Deputy Director, Planning and Development and Principal Engineer positions subject to approval by Board of Supervisors.

D. SPECIAL ITEM:

1. Resolution of Appreciation - Robert G. Lee.

No. 82-0196

Commissioner Bernstein, on behalf of the entire Commission, commended Bob Lee for his 33 years of dedicated service and wished him well in his retirement.

\* \* \*

Minutes, August 3, 1982, Page 1



E. DIRECTOR'S REPORTS:

2. J. Park - Verbal

Mr. Lou Turpen, Airport Director, said a final report would be brought before the Commission on September 7, as well as the agreement for the Commission's consideration.

The following item was unanimously adopted.

3. California Public Utilities Commission Licensing Policy.

No. 82-0197

Resolution requesting the California Public Utilities Commission to refrain from licensing any additional carriers to provide passenger service between San Francisco and the Airport.

Mr. Turpen said this item is in response to current conditions at the Airport with respect to public transit. He indicated that there is very limited curb space because of the configuration of the Airport and that preliminary studies indicate there is less than a 50% occupancy rate on available seats to the downtown area.

Mr. Turpen feels it appropriate that the Airports Commission go on record with the Public Utilities Commission concerning additional capacity at the Airport in view of the presently constrained facilities, and the Airports ability to accommodate additional carriers. Mr. Turpen expressed his concern to the Commission regarding deregulation.

Commissioner Kadish wondered how long it would take to move this through the State PUC and asked if the item could be put over for two weeks.

Mr. Turpen replied that he did not know how long it would take the PUC to pass on this.

Commissioner Kadish suggested the Commission adopt the resolution and urged that contact be made with appropriate department heads.

Commissioner Goosby asked when permits are paid.



Mr. Turpen replied that taxis paid on their way out; limos pay \$2.50 per departure; the Airporter pays 16-2/3% of their collectable monthly revenues. The Airports Commission has established a schedule for other vehicles. The Airport is part of the SamTrans local run and does not pay. About a year ago the Commission and Mr. Heath discussed the possibility of a revenue agreement with SamTrans, however, this has not been pursued.

Commissioner Kadish moved the resolution be adopted with the provision that some type of revenue be pursued.

4. Airport Parking Facilities - Revenue Control

Director's report on the S.F.I.A. Parking Facilities Revenue Control Improvement Program.

Mr. Turpen asked Sheldon Fein, Assistant Deputy Director, Landside Operations, to comment on this item.

Mr. Fein said that the staff has completed a comprehensive study of Airport parking revenue controls. Input was received from Mr. Cerand, Airport Accounting staff, Bob Williams of Wallace and Associates, Bill Wheeler, Airport Parking Manager, and 20 airports throughout the country. As a result of this input a parking revenue control procedures manual was put together. The manual includes instructions on how to train garage staff, how cashiers should run their operation, what APM and Airport accountants should do, statistical summaries, maintenance procedures, and an analysis of outlines of summaries that should be received.

The following item was unanimously adopted.

5. Recommendations on Parking Revenue Control System and Consultant

No. 82-0198

Report on staff findings regarding parking revenue control leading to a recommendation for a fully automated parking revenue control system. Also, a recommendation to retain Cerand and Company for Phase II of their contract.

Commissioner Coblenz said he would accept the Director's report and moved for approval of the resolution.

Commissioner Kadish seconded the motion.

Mr. Fein said the work in this resolution would be the entire revenue control system.

Commissioner Kadish noted that the resolution did not include a cost factor for this stage. She recalled that it was a maximum not to exceed \$25,000.



Mr. Fein indicated that the budget included 20 cash registers at \$3,000 each and that this money was scheduled as part of the garage budget for the coming fiscal year. He said there were five different types of cash registers and that he plans to take a look at each of these systems, and talk to staff at each airport he visits.

Item #6 was adopted concurrently with item 5

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES AND OPERATIONAL DECISIONS:

The following items were unanimously adopted.

6. Travel/Inspection of Out-of-State Airport Parking Revenue Control Systems, SFIA

NO. 82-0199

To have one staff member visit out-of-state airports similar in size and operation to SFIA for the purpose of inspecting computerized garage revenue

## 7. Attendance at AOBI Conference

No. 82-0200

Resolution authorizing one Airports Commission staff member to attend the AOCI conference to be held in Philadelphia, Pennsylvania, October 10-15, 1982.

Mr. Turpen asked that the resolution be amended to read "one member of the Airports Commission staff".

8. Approval of Leasehold Term Principal Concession and Duty Free Leases

No. 82-0201

Resolution authorizing a change in the commencement of the lease term in the Principal Concession Lease and Agreement and the Duty Free/In-Bond Merchandise Lease.

Mr. Turpen said this item is for a reduction in time of 180 to 150 days from the official approval of a principal concession and duty free base or July 1, 1983. This recognizes the need to open the facility on July 1 and the importance of looking at our internal procedures.



AGENDA ITEMS INVOLVING MAJOR POLICIES AND OPERATIONAL DECISIONS  
(continued)

Mr. Turpen asked for the Commissioner's approval of this item. He plans to come back to the Commission with a detailed breakdown of the time frame in early September.

Mr. Turpen said it was his expectation that both duty free and principal concessionaire would be completed and approved by the Board of Supervisors by the end of this calendar year.

The following item was put over.

9. Approval of Lease - U.S. Postal Service

Resolution approving lease to U.S. Postal Service for automated postal center in North Terminal and approving installation, plans and specifications.

The following items were unanimously adopted.

10. Three resolutions approving Type II Contract Modifications for Three Central Terminal Complex Contracts, 1200B(3), 1200B(4), and 1220, to:

NO. 82-0204 Construct baggage conveyor tunnel for airlines (to be reimbursed by airlines) -- \$55,454.

Mr. Jason Yuen, Administrator, Bureau of Planning and Construction, said that in the past drawings have always gone to the Fire Marshall for review and sometimes they are then sent downtown. Our new Fire Marshall found some things that were missed by the previous Fire Marshall.

Commissioner Kadish said her concern is based on what has occurred in the past in the North Terminal; that changes were constantly being made by various Fire Marshalls. She indicated that some coordination was needed on this before the building was constructed.

Commissioner Coblenz recommended this item be adopted and suggested that Commissioner Bernstein talk to Emmett Condon, San Francisco Fire Chief.



AGENDA ITEMS INVOLVING MAJOR POLICIES AND OPERATIONAL DECISIONS  
(continued)

Mr. Gordon Johnson, Gensler Associates, said the Fire Marshall discussed this with his engineers. This is a concrete tunnel and the discussion at that time indicated that sprinklers were not a code requirement. The new Fire Marshall looked at the drawings and it was his opinion that sprinklers should be installed.

Commissioner Bernstein asked Jason Yuen to explain item E; if it was an error why are we paying?

Jason Yuen replied that if the omissions had not been made it would have cost the Airport \$86,000; now it will cost the Airport \$114,000; Gensler is picking up the additional cost.

11. Airport Development Aid Program (ADAP - 13)  
Project Application of \$4.7 million.

NO. 82-0205

Resolution approving the submission of Project Application for ADAP funds of \$4.7 Million, and requesting Board of Supervisors authorization to file Project Application and accept the resulting grant offer.

The following item was put over.

12. Professional Services Contract with I.P. Sharp Associates, Inc.

Resolution authorizing the extension of the contract with I.P. Sharp Associates, Inc., for professional services and time-sharing for one year at a total cost not to exceed \$35,000.

Mr. Turpen said this item relates to professional services time sharing for a series of models the Airport uses out of the Business and Finance section.

Commissioner Kadish said it was \$20,000 per year for the model and \$10,000 per year for the low bidder, yet there is a total cost not to exceed \$35,000. She asked why the \$5,000 difference.

Mr. Turpen said he could not respond to the question. He would like time to take a look at it.

Commissioner Kadish asked that the item be put over.



AGENDA ITEMS INVOLVING MAJOR POLICIES AND OPERATIONAL DECISIONS  
(continued)

The following items were unanimously adopted.

13. Modification No. 3 to Professional Services Agreement with Crothall Systems West - \$17,856.

No. 82-0206

To continue the Consultant's Trained Specialist for an additional six (6) months (September 8, 1982 to March 7, 1983) to give continuing administrative and supervisory support to the Preventive Maintenance Program, Inventory and Equipment System.

Total Cost: \$17,856.00

Mr. Turpen said the Airport has installed a preventive maintenance system and the Airport is in the process of bringing on a chief scheduler for that maintenance function. Pending his arrival the Commission agreed to allow the consultant, Crothall Systems, to provide a specialist to monitor the program. Mr. Turpen does not anticipate getting someone on board for a couple of months and requests that the specialist be retained for another six months in order to provide an interface with the chief scheduler when that person comes on board.

14. Request Authorization to Spend Remainder of Funds Allocated for Mid-Management Training.

No. 82-0207

Request authorization to spend remaining \$1500.00 allocated to contract with Robert F. Hicks, Ph.D., for a follow-up session with mid-managers who attend training program entitled "Motivation and Management".

15. United Air Lines Employee Open House  
Waiving Landing Fees

No. 82-0208

Aircraft flying in, specifically to be on display at the United Airlines Open House, be excused from paying landing fees for this event.

\* \* \*



## G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS

The following items were unanimously adopted.

### 16. PSA - Rental Credit

No. 82-0209 Resolution approving rental credit to PSA for work required to repair Airport sewer line at Gate 38.

### 17. Tenant Improvement - Elson's Personalizing Shop - North Terminal

No. 82-0210 Resolution approving rental credit to Elson's for installation for transformer in order to have usable electrical power in Personalizing Shop.

### 18. Tenant Improvement - United Airlines Maintenance and Operations Center Improvements to Ventilating System, Metal Spray Room - Bldg. 84 - T-2667 - \$35,000

No. 82-0211 Resolution approving the plans and specifications by United Airlines Maintenance and Operations Center Ventilation Improvements - Metal Spray Room. No rental credit.

\* \* \*

## H. COMMUNICATIONS:

Commissioner Kadish suggested a resolution congratulating the airlines on their attentiveness to the ANMAP program and their flight procedures which has led to the reduction in noise impact. She asked Mr. Turpen to proceed with this.

Commissioner Kadish said she noticed that in Jason Yuen's last monthly report there was no record of international carriers awarding contracts for baggage conveyor units and wanted to know if that was still the case.

Mr. Yuen responded that it was; that they are still trying to work out the financing for the equipment. It is his understanding that they should have a contract signed within the next week or so.



G. CONSENT CALENDAR (continued)

Mr. Turpen said the Board of Supervisors approved the SFAIC financing alternative for the airline community. The airlines are also looking at another type of financing and are trying to make a decision between the two. It is his understanding that Lockheed and Boeing are ready to go, and should they make their decision before the end of this month the airlines can meet the July 1 target date for the Central Terminal opening. Mr. Turpen said some communication should be made with the airlines about this.

Commissioner Kadish said the Commission is concerned about this because it could effect the operation of Central Terminal.

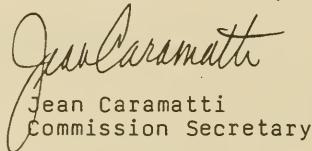
\* \* \*

I. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

J. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 2:55 pm to go into Closed Session.



Jean Caramatti  
Commission Secretary



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## **MINUTES**

Tuesday, August 17, 1982

**DIANNE FEINSTEIN, MAYOR**

## **COMMISSIONERS**

**MORRIS BERNSTEIN**

President

**WILLIAM K. COBLENTZ**

Vice-President

**RUTH S. KADISH**

**DR. Z.L. GOOSBY**

**J. EDWARD FLEISHELL**

**LOUIS A. TURPEN**

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORTS COMMISSION MEETING

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
K.		CLOSED SESSION		
C.		ADOPTION OF MINUTES	82-0214	1
D.		ANNOUNCEMENT BY SECRETARY		2
E		ITEMS INITIATED BY COMMISSIONERS		2
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		5
1.		Issuance of Airport Revenue Bonds, Series C, \$110,000,000		2-3
2.		Official Notice of Sale, Bid Form and Official Statement in Connection with San Francisco International Airport Revenue Bonds, Series C		2-3
3.		\$26,415,000 Reimbursement to Airlines		3
4.		Modification No. 1 of Lease and Agreement to Termination - Airport Florist Shop	82-0215	4
5.		Second Modification of Lease - Barber Shop	82-0216	4
6.		Second Modification of Lease Skyline Candy Shop	82-0217	4-5
7.		Commend Airlines and Air Transport Association (ATA) for Reduction of Noise Impact Area		5
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
8.		Settlement of Claims Not Exceeding \$2,500.00	82-0219	6
H.		PUBLIC HEARING		
9.		Fiscal Year 1982/83 Terminal Rental and Landing Fee Rates	82-0220	6



I.

COMMUNICATIONS

6

J.

TRAILING CALENDAR

7

K.

ADJOURNMENT

7



Minutes  
of the  
Airports Commission Meeting

August 17, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m. in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:

Commissioners  
William K. Coblenz  
Ruth S. Kadish  
Z. L. Goosby  
J. Edward Fleishell

Absent:

Morris Bernstein

\* \* \*

K. CLOSED SESSION:

The meeting adjourned at 2:03 p.m. to go into closed session and was reconvened at 2:20 p.m.

\* \* \*

C. ADOPTION OF MINUTES:

The following resolution was adopted by order of the Commission Vice President.

No. 82-0214

Resolution adopting Minutes  
of the Airports Commission  
regular meeting of June 15,  
1982.



D. ANNOUNCEMENT BY SECRETARY:

In accordance with the Brown Act, Section 54957.1, Jean Caramatti, Commission Secretary, announced the unanimous adoption of Resolution 82-0212 approving the appointment of Ken Hammon to the position of Deputy Director of Airports, Business & Finance; and Resolution 82-0213 requesting the California Transportation Commission to retain the I-380 project in the five year State Transportation Improvement Program in closed session on August 3, 1982.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Fleishell said the Director had asked the Commission to write the Metropolitan Transportation Commission regarding the I-380 Interchange. Commissioner Fleishell stated that he has drafted a letter to Assemblyman Bruce Young of that Committee, and with the Commission's approval, would like to send the letter on its behalf.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were put over to the Special Meeting of August 25, 1982.

1. Issuance of Airport Revenue Bonds, Series C, \$110,000,000

Third supplemental resolution authorizing the issuance of \$110,000,000 principal amount of San Francisco International Airport Revenue Bonds, Series C.

2. Official Notice of Sale, Bid Form and Official Statement in Connection with San Francisco International Airport Revenue Bonds, Series C

Items 1 and 2 were taken together.

Jason Yuen, Administrator, Bureau of Planning and Construction, asked John Martin to brief the Commission.

John Martin, Airport Management Staff, said authorization is requested for the sale of \$110,000,000 Series C Revenue Bonds. It is his understanding that the Commission will not vote on the bond documents until the Special Meeting on August 25. The bonds will finance a portion of the projects included in the Airports Five Year Capital Improvement Plan. The tentative new lease and Use Agreement requires the Airport to sell revenue bonds to



finance projects in the five year plan. After obtaining bond issue authorization from the Commission and the Board of Supervisors the Airport will begin marketing the bonds. The sale of bonds is scheduled to take place on October 6, 1982. The resolutions before the Commission authorize the issuance of \$110,000,000 principal amount Series C Bonds, and a Series C official statement, and official notice of sale. Mr. Martin indicated that members of the bond team were present to answer questions.

Commissioner Coblenz said the Commission had just received the documents and had not had time to read them through. Testimony would be taken today and a special meeting has been scheduled for August 25 at 8:45 a.m., meeting place in City Hall to be determined at a later date.

Sue Smith, San Francisco Tomorrow, asked for copies of the bond statement and handed the Commission copies of her letter. Ms. Smith then took her comments from the letter (see attached).

Paul Van Wert, United Airlines, stated that the special meeting scheduled for the next week obviated the need for him to speak at today's meeting.

The following item was put over to the August 25 meeting.

3. \$26,415,000 Reimbursement to Airlines

Resolution authorizing a \$26,415,000 supplemental appropriation to the Airport Operating Fund for the purpose of making reimbursement to the airlines, per the terms of the tentative new Settlement Agreement.

Commissioner Goosby asked if everyone has signed the agreement.

Mr. Don Garibaldi, Airport General Counsel, stated that the Hetch Hetchy suit, which was deferring total settlement of the case, has been settled in principal, subject to the formal documents being prepared.

Commissioner Goosby said he would not be prepared to vote for this until everyone has signed the agreement.

Coblenz said the resolution indicated that approval was contingent on the signing and receiving the proceeds from the bond issue.

The following items were unanimously adopted.



4. Modification No. 1 of Lease and Agreement to Termination - Airport Florist Shop

No. 82-0215

Resolution between Albert J. Borango and City approving Modification No. 1 of Flower Shop lease and Agreement of Termination.

Mr. Skip Conrad, Airport Property Management, said Mr. Leonard Berger, attorney representing Mr. Borango, was present. Mr. Conrad said the lease modification would: (1) release the City from any obligations regarding the Central Terminal premises; (2) will increase the principal concession area by about 544 square feet, and potentially increase rents from the principal concession agreement. (3) under this modification Mr. Borango will have permits for two retail flowers and meats through next June 30, 1983; and, (4) it provides for a buy-out by rent credit of the remaining lease-hold term of \$45,000.

Commissioner Coblenz asked Mr. Berger if he had any comments and if this met with his approval.

Mr. Berger said it did, pending receipt of the formal agreement.

The following resolutions were adopted as amended.

5. Second Modification of Lease - Barber Shop

No. 82-0216

Resolution approving second modification of existing Barber Shop Lease with Joseph J. Dias.

Mr. Conrad said this would provide for a continuation under Mr. Dias' present terms of 10 percent rent or \$8300 a year guaranteed minimum rental. It also provides for the addition of long term storage at a 17 percent rental. He would have approximately 2500 feet in the North Connector and it provides that the Airport make the improvements, except for the trade fixtures, due to the short term remaining on the lease.

Commissioner Kadish asked if the long term baggage storage has been coordinated with the locker situation that was spoken of two meetings ago.

Mr. Conrad said this was for oversized baggage that would not fit in the existing lockers.

Commissioner Kadish said that if this resolution is passed there should be a modification relating to the detailing of the kinds and sizes of luggage.

6. Second Modification of Lease Skyline Candy Shop

No. 82-0217

Resolution approving second modification of existing Central and South Terminal Skyline Candy Shop Lease.



Mr. Conrad said Steven Hicks, the present operator, pays 15-1/4 percent rent versus the \$30,000 a year minimum. He has an exclusive in the Central and South Terminals. The Airport effectively frustrated his lease when the Central Terminal was closed down. We negotiated with him for new premises in the retail mall area and came up with 840 square feet and an increase rental formula which exceeds the present percentage rental formula of ABC Cigar in the North Terminal as follows: he would pay 20 percent of rent for sales below \$500,000; 22-1/2 percent for sales between \$500,000 and \$ 1-million. His minimum would increase to \$60,000. This could potentially increase his rent by \$50,000 to \$75,000 a year.

Commissioner Kadish questioned page 4 of the lease which states that "leasee has the non-exclusive right to sell dried fruits, nuts, frozen pastries but not 'inflight' food." Inasmuch as we are dealing with an international terminal how could frozen pastries be other than inflight food?

Mr. Conrad said that in many of the negotiations they tried to use the language of existing leases to prevent any further complications with the negotiations. This language came precisely from his existing lease.

Commissioner Kadish asked if it had to be kept precisely.

Mr. Hicks said that language was written 17 years ago. Since he has no desire to sell frozen pastries it can be deleted.

Commissioner Coblenz suggested that the words "frozen pastries" be deleted but not "inflight food".

Commissioner Fleishell asked how this affected the bidding process.

Mr. Garibaldi replied that it was part of the settlement of his claim for frustrating his lease.

Commissioner Fleishell asked if we can legally settle the case and extend his lease without the bidding process.

Mr. Garibaldi said we could.

The following resolutions was unanimously adopted.

7. Commend Airlines and Air Transport Association (ATA) for Reduction of Noise Impact Area.

No. 82-0218 A  
82-0218

Since the adoption of ANMAP, April 7, 1981, there has been a 48% reduction in the number of homes impacted at 65 dB and above. The Airlines and the representatives of the Air Transport Association have contributed greatly in achieving these results. These two resolutions commend them for their efforts

\* \* \*



G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The following item was unanimously adopted.

8. Settlement of Claims Not Exceeding \$2,500.00

No. 82-0219                    Resolution approving settlement and compromise of claims by the Director of Airports, with the approval of the City Attorney, during the period February to June, 1982. Total of claims: \$3,026.75.

\* \* \*

H. PUBLIC HEARING:

The following item was unanimously adopted.

9. Fiscal Year 1982/83 Terminal Rental and Landing Fee Rates

No. 82-0220                    Resolution authorizing the approval of Fiscal Year 1982/83 Terminal Rental and Landing Fee Rates authorizing a \$5,130,000 supplemental appropriation from unappropriated surplus to the Airport Operating Fund, as required by the new Lease and Use Agreement.

Commissioner Coblenz asked if there were any speakers for this public hearing.

Mr. Paul Van Wert, United Airlines, extended a special note of recognition commanding John Martin, on behalf of the airlines, in conforming the rates to the new Lease and Use Agreement.

Mr. Paul Van Wert, United Airlines, extended a special note of recognition on behalf of the airlines to John Martin for filling in under unusual circumstances and in conforming the rates to the new Lease and Use Agreement.

Mr. Van Wert welcomed Ken Hammon and congratulated him on his appointment.

\* \* \*

I. COMMUNICATIONS:

Commissioner Goosby commended staff for its handling of the final resolution of the florist shop to everyone's satisfaction.

\* \* \*



J. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

K. ADJOURNMENT:

There being no further calendared business the meeting was adjourned at 2:55 p.m. to go into closed session.

*Jean Caramatti*  
Jean Caramatti  
Commission Secretary



# SAN FRANCISCO TOMORROW

---

AN URBAN ENVIRONMENTAL ORGANIZATION

---

August 17, 1982

For: S.F. Airports Commission  
City Hall, S.F.

Re: AUG 17 TUES, Rm. 282 Commission meeting to discuss Items F. 1 and 2 - issuance of \$110 Million Airport Bonds and approve Bond Statement.

SFT requests that the Airports Commission delay action on Items F 1,2 because of inadequate public information and discussion and lack of compliance with the California Environmental Quality Act.

1. S.F. Airport is the largest source of air pollution and noise pollution in San Francisco and San Mateo County.

There is no public document which tells the public whether these projects will meet federal and state environmental standards.

The public has the right to full protection of the California Environmental Quality Act - and this Commission is denying the public CEQA safeguards.

The 1973 EIR is out of date - the forecasts must be verified with actual experience and circulated to expert state and regional and federal agencies for comment.

2. Approval of these bond projects and bond statement is a 'major action' under CEQA and 'decision makers' are required to have an adequate updated EIR to advise them of the long term irreversible impacts of these projects.

The 'growth inducing' impacts of these projects is a primary concern of CEQA. S.F. Airport at 20.2 Million Annual Passengers on an annualized basis up to March 1982 is in serious violation of air and noise standards now. The Airports Commission must seriously weight whether S.F. Airport can ever expand beyond its present level considering the noise lawsuits and air pollution levels.

3. The Board of Supervisors passed a Resolution #380-76 which terminated the airport expansion at 24 MAP. The Mayor tells us that she fully supports limiting S.F. Airport to 24 MAP in order to maintain environmental standards.

The Airport management relies on the out of date 1973 EIR for its judgments. The 1973 EIR shows that reconstruction of the South Terminal will boost capacity by 4 MAP which appears, therefore, to be in direct conflict with the Mayor's policy.

The public policy of the Commission is that projects are 'modernization' only - the 1973 EIR says otherwise as you see.



4. Finally in support of our thesis that this Commission is violating the public right to CEQA protection, we note that the expert agency comments which come out piecemeal are extremely negative. The formal procedure by which all expert agency comment is brought together in an organized way before the public and 'decision makers' is the update of an EIR or new EIR.

We cull from news articles the following:

a. S.F. Airport - highest carbon monoxide levels over short or sustained periods of time.

b. S.F. Airport - unable to meet federal and state noise and air quality standards and without a program to accomplish this. Result DOT/FAA limited their funding approvals to 24 MAP level and require additional EIS for upward growth. See Memorandum of Understanding attached to the Final EIS circulated April 15, 1977. See conditions attached to ADAP 8 grant repeating the Memo.

c. The State Air Resources Board attorney wrote the SEC about the last Airport Revenue Bond Statement which erroneously stated that the Airport projects met state and federal agency review and standards. The Sept. 14, 1978 letter stated that the bond projects were 'decidedly unacceptable to the Air Resources Board due to air quality considerations'.

Finally in regard to the Bond Statement we ask that action await an up-date of the EIR. We ask that the public be fully informed of the nature and commitments in the public document - the Official Statement - through a summary which includes the following:

. Bond statement forecasts for growth of passengers and cargo commensurate with these and present airport facilities.

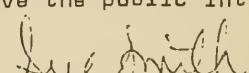
. Describe up-to-date environmental reviews undertaken and by whom.

. Review the question of subordination of General Obligation bonds. The State Treasurer's office is not subordinating G.O. bonds to any later issue Revenue Bond. It is not good public policy to do so. We ask that the public be carefully informed of the dangers of Revenue Bonds to the City Treasury if Airport income falls short.

Lastly as a good government measure we believe that the Airports Commission should compile a list annually of all subsidized payments by the City for the Airport. What is the lag time between new PG&E rates for power and equalization at the airport? Does the Airport water costs comparable to S.F. residents? What about the noise lawsuit costs? Who pays? For example, taxpayers paid for a \$4,000 energy audit at the Airport.

San Francisco Tomorrow speaks infrequently before this Commission. We ask that this Commission serve the public interest first and above reproach.

By: Sue Smith  
Board Member





5-82

# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

SPECIAL MEETING

Wednesday, August 25, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
OF THE SPECIAL MEETING  
OF THE AIRPORTS COMMISSION

August 25, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	1.	Issuance of Airport Revenue Bonds, Series C, \$110,000,000	82-0221	1-2
	2.	Official notice of sale and official statement in connection with San Francisco International Airport Revenue Bonds, Series C	82-0222	1-2
	3.	Resolution confirming the undertakings made by the Airports Commission pur- suant to its Revenue Bonds resolutions	82-0223	1-2
	4.	Reimbursement to Airlines - \$26,415,000	82-0224	2
	5.	Authorization to receive bids for banking services lease		2
D.		COMMUNICATIONS		3
E.		ADJOURNMENT TO GO INTO CLOSED SESSION		3



Minutes  
of the  
Special Airports Commission Meeting

August 25, 1982

A. Call to Order:

The special meeting of the Airports Commission was called to order at 8:45 a.m. in Room 2B, City Hall, San Francisco, California.

\* \* \*

B. Roll Call:

Present: Commissioners  
Morris Bernstein  
William K. Coblenz  
Ruth S. Kadish

Absent: Commissioners Z.L. Goosby,  
J. Edward Fleishell

Commissioner Bernstein pointed out that Commissioner J. Edward Fleishell was in Sacramento with the City Attorney on official City business.

\* \* \*

C. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were unanimously adopted:

1. Issuance of Airport Revenue Bonds, Series C,  
\$110,000,000.00

No. 82-0221              Third supplemental resolution authorizing issuance of \$110,000,000.00 principle amount of San Francisco International Revenue Bonds, Series C.

2. Official notice of sale and official statement in connection with San Francisco International Airport Revenue Bonds, Series C.

No. 82-0222

3. Resolution confirming the undertakings made by the Airports Commission pursuant to its Revenue Bonds resolutions.

No. 82-0223              Mr. Jason Yuen, Acting Airport Director, said the three items should be taken as one package.

Commission President Bernstein recognized Susan Smith who made an extensive presentation dealing with the environmental impact report and the environmental impact statements asking the Airports Commission to delay action and provide additional information on any growth inducing impact of the construction program.



Copies of her statement and supporting documents are attached to these minutes and incorporated by reference.

President Bernstein recognized Mr. William Donovan of Orrick, Harrington, Rawley and Sutcluff; Mr. Richard Salladin and Terry Atkinson of Solomon Brothers, who pointed out certain amendments to be made as a result of discussions with the airlines. The corrections, additions and deletions were made in the official notice of sale, and the third supplemental resolution. Confirmed copies of these documents will be prepared by bond counsel and provided to the Commissioners and other interested parties.

In connection with their approval of Resolution No. 82-0221 and 82-0222, the members of the Commission unanimously expressed that it was the policy of the Commission that there is to be no delivery of Series C. Revenue Bonds unless and until there is an executed and effective settlement of the certain litigation initiated by various airlines against the City & County of San Francisco.

\* \* \*

The following resolution was unanimously adopted.

4. Reimbursement to airlines - \$26,415,000.00

No. 82-0224 Resolution authorizing a \$26,416,000.00 supplemental appropriation to the Airport Operating Fund for the airlines, per the terms of the tentative new settlement agreement.

It was stipulated that this resolution was contingent upon successful signing of the memorandum of understanding and the settlement agreement with the airlines.

\* \* \*

The following item was taken off calendar, to be considered at the regular meeting of September 7, 1982.

5. - Authorization to receive bids for banking services, lease.

Resolution approving lease specifications and inviting bids for banking service lease.



D. COMMUNICATIONS:

Correspondence was received from Liunda Dyson and Delores Huajardo of San Mateo County who asked for delay in the issuance of revenue bonds. That correspondence is attached to these minutes and incorporated herein by reference.

E. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission, the meeting adjourned at 9:46 a.m. to go into closed session.

A handwritten signature in black ink, appearing to read "W.D. Hanson".

W.D. Hanson  
Public Relations Manager  
Secretary (Acting)



# SAN FRANCISCO AIRPORTS COMMISSION



## MINUTES

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Tuesday, September 7, 1982

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DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

September 7, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		SPECIAL ITEM		
		Election of Airports Commission	82-0221	1
		Resolution of Appreciation Officers - Emmett Smith	82-0222	2
D.		DIRECTOR'S REPORTS		
	3.	Cable Car Message Sign		2
	4.	Update on Valet Parking Service		2-3
	5.	Central Terminal Lockers		3
	6.	Public Telephones Installation Central Terminal		3-4
	7.	Airport Medical Clinic Options		4
E.		ITEMS INITIATED BY COMMISSIONERS		4-5
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	8.	Professional Services Contract With I.P. Sharp Associates, Inc.	82-0223	5
	9.	Professional Services Agreement, Dieter C. Rapp, Interior Planting Consultant - Modification No. 2 \$43,100.00	82-0224	5-6
	10.	Professional Audit Services Contract - Morris, Davis & Co. - \$40,000	82-0225	6
	11.	Resolution Approving Lease Specifications and Authorizing Invitation for Bid for Video Game Room.	82-0245	6-7
	12.	Resolution Approving Lease Specifications and Authorizing Invitation for Bid, Soaps and Lotions Cart.	82-0226	7-9



13.	Approval of Schematic Design North Terminal Sunglass Kiosk	82-0227	9
14.	Police Disability		9
15.	Construction Management Consultants Contract Modification No. 12	82-0228	9-10
16.	Contract 1200B(4) - Central Terminal Modernization - Correction of Deficiencies in Existing Structure	82-0229	10
17.	Transfer of funds from Contract 1424, Communication System Modernization, to Contract 1200B(3), Boarding Area D, and to Contract 1220, Terminal Connectors; Modification to Contracts to Accommodate new Communications System - Total \$179,330.	82-0230	10-11
18.	Approval of Lease Specifications and Authorization to Receive Bids for Banking Services Lease.	82-0231	11-12
19.	Award of Contract No. 1465 - Integrated Alarm System - North Terminal Connector Communications Center		12-13
20.	Award of Contract No. 1355 - Re-roofing of South Terminal \$650,665.00	82-2322	13
21.	World Wildlife Exhibition	82-0233	13-14

G. CONSENT CALENDAR OF ROUTINE  
ADMINISTRATIVE MATTERS

22.	Statistical Adjustments for 1982-83 Joint Use Billings Under New Lease and Use Agreement.	82-0234	14
23.	Supplemental Appropriation of \$119,753,900 from the Series C Review Bond Fund.	82-0235	14
24.	Award of Contracts No. 919A - Reconstruction of Airfield Perimeter Dike to MBM & Daughters - \$48,750.00	82-0236	14
25.	Tenant Improvement: United Airlines Maintenance & Operations Center - Installation of In-Rack Sprinkler System - T2669- \$71,000.	82-0237	15
26.	Tenant Improvement: TWA Plot 3 - Technical Services Relocation T-2678 - \$100,000.00.	82-0238	15
27.	Tenant Improvement: Hertz Rent-A-Car Alterations to Consumer Booth - Lot B - T-2677 - \$65,000.00.	82-0239	15
28.	Completion of Professional Services Agreement - S. Iyama and Associates - Contract 1022 - Pier e, Remodeling for PSA and Republic Airlines.	82-0240	15



29.	Landing Weights for Airlines' Aircraft	82-0241	15
30.	Travel AAAE National Airports Conference	82-0242	15
H.	COMMUNICATIONS		16
I.	TRAILING CALENDAR		16
J.	CLOSED SESSION		9
K.	ADJOURNMENT TO GO INTO CLOSED SESSION		16



Minutes  
of the  
Airports Commission Meeting

September 7, 1982

A. CALL TO ORDER:

The regular meeting of the San Francisco Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present:

Commissioners  
Morris Bernstein  
William Coblenz  
Ruth S. Kadish  
J. Edward Fleishell

Commissioner Z.L. Goosby arrived at 2:10 p.m.

Commissioner Coblenz left the meeting at 4:00 p.m.

\* \* \*

C. SPECIAL ITEM:

1. Election of San Francisco Airports Commission officers.

No. 82-0221

Commissioner Bernstein was unanimously elected President with a nomination and second by Commissioners Fleishell and Coblenz.

Commissioner Coblenz was unanimously elected Vice President with a nomination and second by Commissioners Fleishell and Kadish.



2. Resolution of Appreciation - Emmett Smith, Assistant Deputy Director of Business and Finance, San Francisco International Airport.

No. 82-0222

Commissioner Coblenz thanked Mr. Smith for his 35 years of invaluable service to the Airport and wished him well in his retirement.

\* \* \*

D. DIRECTOR'S REPORTS:

3. Cable Car Message Sign

Report indicating the present status of Cable Car Message Sign and proposed alternatives.

Mr. Lou Turpen, Airport Director, said the cable car message sign is located at the out-bound roadway from the terminal facility. Mr. Turpen reminded the Commission that they had been presented with a series of alternatives. He felt that the temporary fix that was performed several months ago was a marginal alternative. He said the sign had good revenue potential for the Airport and recommended a bid package be developed and brought before the Commission at the first meeting in December.

Commissioner Kadish said that announcements regarding the opening of the Central Terminal should be placed on the sign. She also cautioned that the bid package be put together carefully, allowing the Commission to have supervision over the type of advertising that will appear.

Mr. Turpen said a skeletal outline of the bid package could be put together and presented to the Commission prior to the formal authorization to bid.

4. Update on Valet Parking Service

Staff's report covering the 3-month period from May to July 1982 on valet parking service as requested by the Commission.

Mr. Turpen said that this was staff's routine monthly report on the valet parking service. He explained that, although usage has dropped, our expenses have been reduced. The fee was increased in May from \$10 to \$15 resulting in a \$1900 net profit per month making Valet a self-supporting, money-making operation. Mr. Turpen said he would report to the Commission on an exception basis should the financial picture change.



Commissioner Coblenz asked for reports every two months indicating that as soon as the financial picture changed he would move to discontinue it.

Mr. Turpen said the next report would be given to the Commission at the first meeting in November.

5. Central Terminal Lockers

Report outlining the need and use of lockers especially as pertains to the locker location in the vicinity of gates on Boarding Area D.

Mr. Turpen said Commissioner Kadish raised the question of lockers a couple of months ago. There are 120 lockers planned for the Central Terminal, 40 of which will be out on Boarding Area D. There are currently 80 lockers in the South Terminal, Pier G, which is the international pier. Based on the number of uses of lockers it would appear that all lockers at the Airport are used once a day but the duration of use is not known. Mr. Turpen feels that the present configuration of lockers in the Central Terminal is satisfactory both for present utilization and for future growth.

Commissioner Kadish said that she found the memo unresponsive to her questions. She had asked that the following questions be answered: when do passengers use lockers; what is the nature of carry-on luggage; will lockers be of varying size; who uses the lockers and where are they most frequently used; what about lockers on the arrivals level; what is the income for the 70 in boarding area A; who will make the decision and will there be a design review in relation to the appearance of the lockers.

Commissioner Kadish said it was her understanding that the Airport is responsible for construction of the receptacle and the concessionaire is responsible for the installation of the lockers. The Airport should be aware of the cost of construction in relation to usage and revenue which will be derived from the lockers.

Mr. Turpen told Commissioner Kadish that she will have responses to her questions at the next meeting.

6. Public Telephones Installation in Central Terminal

Report reviewing the number and scope of public telephone service in the Central Terminal.

Mr. Turpen said staff has been working with Pacific Telephone on the Central Terminal phone system. Four areas have been discussed: (1) quick call, a test marketing concept which is 50 cents anywhere in the United States for 30 seconds; (2) explored the concept of the number of telephones versus revenue in the Central Terminal. It is staff's feeling, based on comparisons with other airports, that the number of telephones recommended by PT&T be reduced from 189 to approximately 100; (3) in conjunction with that, staff feels that the number of change machines be increased from one, as recommended by PT&T, to one per boarding area throughout the Airport; and, (4) an information center offering live communication with foreign travelers.

Commissioner Kadish wondered if change machines should be considered a banking service rather than the responsibility of Pacific Telephone and asked Mr. Turpen to investigate this.



Commissioner Fleishell said that a year ago the Commission had difficulty convincing customs that there be telephones in the international arrivals secure area. He hoped that would not be lost in building the new Central Terminal.

Commissioner Coblentz said the primary object of the Airport is to give service; that even if we have to maximize the number of phones and dilute the income we should do it.

Commissioner Kadish asked for an explanation on the section in the memo to the Commission which referred to competitive rates of other telephone companies.

Mr. Jerry Copelan, Airport Property Management, responded that in this area we are required to work with Pacific Telephone. The rate being proposed is generally the same one that's being offered up and down the state. Some airports are not being offered the sliding scale, however, it is really to our benefit.

#### 7. Airport Medical Clinic Options

Report detailing lease and site options for an Airport Medical Clinic.

Mr. Turpen said the Commission had indicated to Director Heath that they desired to bid the Medical Clinic facility to coincide with the expiration of our current agreement so that there would not be an interruption of service. Staff has taken a look at the current operation of the Medical Clinic facility in the Central Terminal as opposed to alternate locations on the Airport. It is staff's feeling that the Central Terminal is the best location in order to support both the passenger traffic and emergency situations. It is staff's intent to develop the bid specifications for the second meeting in October with an advance copy in skeletal form to be sent to the Commission prior to that date. The development of the bid specifications and the pre-qualifications are critical to the Airports emergency posture. The development of the specifications will be coordinated with the local mutual aid agencies and the Aviation Safety Institute.

\* \* \*

#### E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Fleishell asked who would be attending the Assembly's Select Commission on Aviation meeting. He feels it is important that the Airport be strongly represented at that meeting.

Mr. Turpen said the meeting is to be held on Thursday in San Jose and attended by John Costas of our staff.

Commissioner Coblentz said he visited the ice cream parlor with Commissioner Kadish and Jason Yuen. He was very disappointed in the design of the facility and asked if anything was being done to remedy it.



ITEMS INITIATED BY COMMISSIONERS: (continued)

Jason Yuen, Administrator, Bureau of Planning and Construction, said he planned to discuss this with Howard Friedman.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS

The following items were unanimously adopted.

8. Professional Services Contract with I.P. Sharp Associates, Inc.

No. 82-0223

Resolution authorizing a one-year extension of the contract with I.P. Sharp for professional services and time-sharing at a total cost not to exceed \$30,000.

Mr. Turpen said this item is to utilize the computer to perform all the calculations for rates and charges. He asked John Martin to brief the Commission.

Mr. John Martin, Airport staff, said that the Airport's data processing staff would eventually develop the same model, but this would not be accomplished until next spring. I.P. Sharp will provide documentation on the model.

Commissioner Fleishell said the Airport retained Peat Marwick who put together the original rates and charges for the settlement. He wanted to know what happened to that model.

Mr. Martin replied that Peat Marwick developed the formula but not the computer model.

9. Professional Services Agreement, Dieter C. Rapp, Interior Planting Consultant - Modification No. 2 - \$43,100.00

No. 82-0224

Resolution approving Modification No. 2 to the Professional Services Agreement between the City and Dieter C. Rapp, Interior Planting Consultant, dated June 3, 1980. Modification No. 2 essentially continues the present agreement until September 30, 1983, at a cost not to exceed \$43,100.00. .

Commissioner Kadish commented that it was good to see that the agreement does not include a cost of living increase.

Commissioner Goosby suggested that the Commission approve this on a month to month basis and should try to find competitive costs.

Mr. Turpen responded that the cost reflects the fact that the plants are in place and that the South Terminal is essentially the only area in which we now have plants from Dieter Rapp. It was Mr. Turpen's preliminary thinking that possibly the Airport might want to opt for the same type of situation for the South Terminal that exists in the North Terminal wherein the Airport purchases plants, and does the maintenance in-house. Mr. Turpen recommended approval of the item so that staff could take a look at this option.



Mr. Rapp, of Dieter Rapp, responding to Commissioner Goosby's comments, said it would not be cost effective to replace plants on a regular basis if their contract was on a month to month basis.

Commissioner Kadish commended Mr. Rapp on the appearance of the plants in the terminal.

10. Professional Audit Services Contract - Morris, Davis & Co. - \$40,000

No. 82-0225

Resolution approving professional services agreement with Morris, Davis & Co., to perform audits of concessions, leases and contracts at a cost not to exceed \$40,000.

Commissioner Bernstein asked Ken Hammon, Deputy Director for Business and Finance, if the audits could not be done by Business and Finance staff.

Mr. Hammon responded that it was something worth exploring.

The following item was unanimously adopted as amended.

11. Resolution Approving Lease Specifications and Authorizing Invitation for Bid for Video Game Room.

No. 82-0245

Resolution approving lease specifications for an Electronic Entertainment Center/Video Game Room in the Central Terminal South Connector and authorizing Director to invite bids for said concession.

Mr. Turpen said there are some changes from the specifications that went out on the North Terminal Game Room which were reflected on page 2 of your letter. The minimum acceptable bid has been increased from \$75,000 to \$125,000. The experience requirement has been adjusted from 20 games to 15 games. The bid bond has been increased to \$20,000. Mr. Copelan, Airport Property Management, is present to answer questions. Mr. Turpen hopes that this can open in concert with the opening of the Central Terminal.

Commissioner Fleishell asked what was happening with the other bid in the other terminal.

Mr. Copelan responded that staff was waiting for the performance bond to be tendered by Thrust Company. They have been contacted repeatedly and each time have promised that the performance bond would be delivered. The bid specification states that the bond must be delivered within 30 days of execution and it has been 60 days. A certified letter was sent on August 26 stating that the bond must be received within 10 working days or they will forfeit their bid bond, be released from any obligations under the lease, and possibly be precluded from bidding again at the Airport. He has repeatedly asked Dr. Meyers, one of the successful bidders, and Betty Galletero, one of the principals involved with Thrust Co., to forward the bond and they have repeatedly promised to do so. If Thrust does not post the bond we can either go to the second bidder or rebid.

Mr. Turpen said that should Thrust not provide their bid bond it would be his recommendation to rebid the game room and to come before the Commission at the first meeting in October for authorization to rebid.

Commissioner Bernstein suggested that if Thrust does not come up with the bond it should be rebid.



Commissioner Goosby said that Thrust should forfeit the bid bond and be precluded from bidding at the Airport.

Commissioner Fleishell remarked that the specs are not competent because they do not provide for the eventuality that someone could bid and lose a few thousand dollars. Staff has raised the amount of the deposit but it must be made more painful for people who do not fulfill the agreement.

Commissioner Kadish moved to amend item 11 to add the contingency factor should the bid for the North Terminal not be signed and sealed.

Commissioner Fleishell suggested that a letter of credit be put up as part of the bid. It would not be costly for the bidder but it would give the Airport an unlimited letter of credit for the first years rent.

The following items were unanimously adopted.

12. Resolution Approving Lease Specifications and Authorizing Invitation for Bid, Soaps and Lotions Cart.

No. 82-0226

Resolution approving lease specifications for a Soaps and Lotions Cart in the South Terminal building and authorizing Director to invite bids for said concession.

Mr. Turpen said the Soaps and Lotions Cart was placed in the Airport on an experimental basis to determine the viability of a cart class operation and to determine its impact in its location at the access to boarding area B. The cart class has proven itself as a marketing concept at the Airport and there seems to be no undue congestion at boarding area B due to the cart. He recommended bidding it as a small business enterprise, for a term of three years and a minimum annual acceptable bid of \$10,000.

Commissioner Kadish asked if there was going to be a design review step.

Mr. Jerry Copelan responded that there would be a design review after the bids have been opened and the lease has been awarded.

Commissioner Kadish remarked that since it was not a permanent part of the building, wouldn't it be important to have some element of design as part of the bid process.

Mr. Copelan said it would.

Commissioner Kadish asked if there would be a pre-bid conference.

Mr. Copelan replied that pre-bid conferences are used to establish and narrow down details of lease specifications. At first he felt that since the Airport had a going concession we've been able to determine some of these factors already and, in the interest of time, we didn't need one.

Commissioner Kadish said that it was important that we not lose sight of the normal procedures which serve a viable function. In relation to our contracts, some of the things that can be taken care of is the design, and the Human Rights Commission requirements. It allows for the opportunity to discuss and clarify points that may be brought up. To make an exception is to break a valuable procedure.

Mr. Copelan responded that he has since spoken with Heller, Roberts, Inc., the present concessionaire, and they have convinced him that it would be in the best interest to go through all the procedures and explain what is unique about operating a business at the Airport.



Commissioner Goosby said that for our own credibility and fairness we notify everyone on our list when bids go out, and that we follow our procedure at all times so that we cannot be faulted.

Commissioner Bernstein said this was to be an exception and an experiment, and that staff was not to be involved.

Mr. Turpen said this was designed as an experiment which, as Mr. Garibaldi ruled, could be put in for a limited amount of time in order to determine the viability of a cart class concession, and any problems with its location at the throat to boarding area B. When it was first brought before the Commission no small business policy existed. It was the Commission's desire, on the recommendation of Mr. Heath, that this be put over until such time as a small business policy was adopted. One was adopted late last year.

The City Attorney's opinion is that this must be bid.

Commissioner Goosby said he was in favor of getting as many small businesses at the Airport as possible but we must guard against instituting Commission appointed concessions and he favors bidding this concession.

Commissioner Kadish said it is her understanding that the cart has no utilities connections. She recommended that possibly 12 percent be used rather than the 15 percent that is used for concessions that do have utilities hook-ups.

Mr. Coplan responded that 10 percent was used.

Commissioner Bernstein suggested we bid it if that was the consensus but he did not want to get into minorities, small business or favoritism.

Ms. Susan Heller, Soaps and Lotions Cart, asked for changes in the bid specifications; (1) rent is currently 10 percent and staff recommends 15 percent; their prices would have to be raised considerably; they broke even after a year and a half; their books are available to the Commission. (2) Pre-design phase. Their cart is a good design and is looked upon by the public as a nice vehicle. The Airport needs to protect itself by having a pre-design phase. (3) #6, page 2 states that the cart should be completely mobile. Staff's recommendation in 1980 was that the cart should not be mobile. (4) Renovation. All carts in the North Terminal have their long sides against the wall. This would mean a 40 percent reduction in selling space.

Mr. Turpen responded to the question of mobility by saying that mobile meant "capable of being moved" as opposed to being pushed around the terminal.

He also felt there should be a pre-bid conference. He is concerned, however, that bidders be required to spend money on design review prior to bidding.

Commissioner Kadish said that this could be handled in a discussion at the pre-bid conference.



Ms. Heller said that last year people indicated that a lot more money could be made by making a few minor alterations on the cart. Their concern is that they have spent a great deal of time trying to make an attractive vehicle in the Airport; one that is not cluttered with display. She is concerned that people will bid on changes in the display space which may not be acceptable to the Airport in terms of aesthetics of the cart.

\* \* \*

J. CLOSED SESSION:

The meeting was adjourned at 3:05 pm to go into closed session and was reconvened at 4:00 p.m.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS  
(continued)

The following item was unanimously adopted.

13. Approval of Schematic Design - North Terminal Sunglass Kiosk.

No.82-0227

Resolution approving schematic design of sunglass kiosk located across from Gate 68, North Terminal as approved by Airports Commission Resolution No. 79-0335, adopted on October 2, 1979.

The following item was put over.

14. Policy Disability

Resolution authorizing disability benefits for Airport Police Officers.

Mr. Turpen said he had received a letter from Paul Van Wert, Chairman of the Airline Affairs Committee, requesting the item be put over in order to permit him time to discuss this with staff.

The following items were unanimously adopted.

15. Construction Management Consultants Contract Modification No. 12

No. 82-0228

Proposed extension of CMC (Construction Management Consultants), Professional Services Contract to October 31, 1983 and approving a budget of \$35,000.00



Commissioner Fleishell said he would like to have someone research our records. He recalled that we have \$300,000 worth of people on staff to help in litigation and he would like to know what relationship that bore to this.

Commissioner Bernstein suggested that Mr. Hammon might be able to do this.

16. Contract 1200B(4) - Central Terminal Modernization - Correction of Deficiencies in Existing Structure.

No. 82-0229

Resolution approving a Type II Modification to Contract 1200B(4), Central Terminal Modernization, for correction of previously unknown discrepancies in the existing steel frame, as described in memorandum to Commission dated August 23, 1982. Total amount not to exceed \$126,345.00.

Transfer of funds to Contract 1220 was unanimously adopted; the other portion of the following item was put over.

17. Transfer of funds from Contract 1424, Communication System Modernization, to Contract 1200B(3), Boarding Area D, and to Contract 1220, Terminal Connectors; Modification to Contracts to Accommodate new Communication System - Total \$179,330.

No. 82-0230

Two resolutions, approving Type II Contract Modifications for two Central Terminal Complex Contracts, Contract 1200B(3) - Boarding Area D and Contract 1220 - Terminal Connectors, to:

- a. Provide additional communications conduit, high temperature wire, and alarm cables in Boarding Area D--\$60,000 (max.)
- b. Revise the Communication Center and Telephone Rooms, and provide various conduits, wires, radio antennas, and other service utilities to accommodate the new communications and alarm systems--\$121,780.

Funds for this work are available in the previously approved contract 1424-Communications System Modernization project and will be transferred into each of the Central Terminal Complex contracts accordingly. Details of these modifications are described in memorandum to Commission dated August 23, 1982.

Mr. Turpen explained that the conduits were required for the relocation of the Central Terminal communications system to the North Connector.



Commissioner Kadish asked for a summary of the total picture of this move.

Mr. Turpen responded that the communications center was developed in 1954 and has essentially remained unchanged. The system, which has long been recognized as outdated, was intentionally not modernized in anticipation of the relocation of the center. The relocation involves all Airport alarm circuits, both life-safety and police, telephone lines and equipment, and radio equipment.

The Commission was presented with a program of approximately \$1.3 million which is divided into three phases: alarm, radio and telephone. The Commission has authorized the expenditure of \$600,000 for the radio portion; \$209,000 for alarm and \$244,000 for the telephone installation in the North Connector.

Commissioner Kadish said that as a result of a discussion with Mr. Roy Samuels, Deputy Director for Operations, she learned that in addition to the complete change in the communication system we are going to have a per annum increase of \$250,000 in our telephone bill. Had she known there would be an additional \$250,000 charge she might have acted differently.

Mr. Turpen said that in March of this year a memo, outlining the increase in monthly charges, was sent to the Commission. It projected an increase of \$25,000 a month.

Commissioner Kadish said that the memo does not indicate that this is an additional expenditure.

Mr. Turpen said there are both hidden and obvious cost savings involved in the communications system upgrade. Those areas include personnel and security aspects.

Commissioner Kadish asked for a comparison of cost between the new equipment and the move versus what we have already expended, the old equipment and remaining in the present location. She asked if this item could this be put over for two weeks.

Mr. Jason Yuen, Administrator, Bureau of Planning and Construction, said that the Commission had two resolutions to consider. One must be approved so that they can proceed with the conduits. He recommends adopting the second resolution for \$121,000 so the connector in the Central Terminal can be closed up. He is not sure if there would be time to re-study the system.

The following resolution was unanimously adopted as amended.

18. Approval of Lease Specifications and Authorization to Receive Bids for Banking Services Lease.

No. 82-0231

Resolution approving lease specifications and inviting bids for a Banking Services lease.

Mr. Turpen said Mr. Conrad, Airport Property Manager, was present to answer any questions.

Commissioner Fleishell said he would suggest that the bank be bid with the non-exclusive right to engage in foreign currency; then bid the three locations as foreign currency on a non-exclusive basis. He also said he would exclude automated tellers from the banking lease. Other airports have done this and allowed a non-exclusive right for automated tellers to come in as a quasi-banking function next to a staffed banking function.



Commissioner Goosby asked if this was a money-making service.

Mr. Conrad replied that he did not have any details but he assumed they would be charged a flat fee. This is a service and there is no charge for its use.

Mr. Conrad said the base specifications provide for another company to bring in ATM's.

Commissioner Kadish said they must go before the Design Review Committee before they're installed and this should be a policy of the Commission.

Theana Kastens of Deak Perera said she saw no reason to delete foreign exchange rights from the bank.

Commissioner Fleishell made a motion to amend the resolution to permit the first bid to be a bank including a non-exclusive foreign exchange operation; the balance of the three locations would be in one bid for a foreign currency operation.

In addition, staff is to make certain that the Airport retain the right to let in any future national association of automatic tellers as other groups of banks get together to protect their interest.

Mr. Conrad elaborated on some of the points made by Bank of America in their letter. In going over Bank of America's letter, he made the following recommendations to the Commission: (1) If the South Terminal relocation site is unsatisfactory to the bank, instead of terminating the entire lease they be allowed to reject that particular location and have their rent reduced accordingly; (2) to allow them to install ATM's within their premises presumably extending into the public area; (3) non-exclusivity of ATM's (4) allow foreign currency until July 1, 1983; (5) delete certain references to gross revenues; (6) retain suggestion of requiring reporting in some sort of gross revenue fashion.

Commissioner Bernstein asked that the record show that Commissioner Coblenz did not participate in this discussion due to a possible conflict of interest.

Mr. Conrad called the Commission's attention to Section 1302 regarding conflict of interest and said the Bank is concerned that their employees may not be aware of a potential conflict of interest. He is sure that appropriate language can be drafted that will satisfy all parties.

The following item was put over

19. Award of Contract No. 1465 - Integrated Alarm System - North Terminal Connector Communications Center.

Resolution awarding Contract No. 1465 to Denalect Alarm Company, P.O. Box 5379, 1309 Pine Street, Walnut Creek, California, 94596 in the amount of \$209,700.00.

The purpose of this contract is to furnish and install a microprocessor software-based  
(Continued)



alarm detection and reporting system, modifying existing alarm systems, and provide all interconnecting wiring for a complete operational system.

One Bid received on August 23, 1982:

1. Denalect Alarm Co. \$209,700.00

Don Jacoberger, Airport Engineering, said this was part of the \$1.3 million approval. It has nothing to do with the telephone system. If the contract is awarded at this time the Commission will commit itself to do the work that it wants to hold over for two weeks.

The following items were unanimously adopted.

20. Award of Contract No. 1355 - Re-roofing of South Terminal \$650,665.00

No. 82-2322

Resolution awarding Contract No. 1355, Re-roofing of South Terminal, to Bryant Organization, Inc., in the amount of \$650,665.00, for Phase I work to Waterproof the South Terminal Complex.

Three bids were received:

1. Bryant Organization, Inc.	\$650,665.00
2. Blue Roofing Co.	\$695,936.87
3. Western Roofing Co.	\$775,915.00

Approved Budget: \$700,000.00

Commissioner Fleishell asked if any of this work will have to be duplicated during the remodeling of the South Terminal.

Jason Yuen responded that it will not.

21. World Wildlife Exhibition

No. 82-0233

The World Wildlife Fund wishes to exhibit wildlife items frequently confiscated from U.S. travelers returning from abroad. Prince Philip is expected to conduct a press conference to open the exhibition. The opening is slated for early November, 1982.



Commissioner Fleishell asked if this group will be allowed to solicit funds in the Airport.

Mr. Turpen said we have had no indication that funds would be solicited; this is an exhibition only. If they do want to solicit funds they must follow Airport procedure and any exchange of money will have to occur in the booth.

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The following items were unanimously adopted.

22. Statistical Adjustments for 1982-83 Joint Use Billings Under New Lease and Use Agreement.

No. 82-0234

Resolution adopting, for 1982-83 billing purposes only, certain adjustments to the 1981-82 passenger enplanement and deplanement statistics, pursuant to Section 101.W of the new Airline-Airport Lease and Use Agreement.

23. Supplemental Appropriation of \$119,753,900 from the Seires C Revenue Bond Fund.

No. 82-0235

Resolution requesting the Mayor to recommend to the Board of Supervisors a \$119,753,900 Supplemental Appropriation from the Airport Series C Revenue Bond Fund.

24. Award of Contract No. 919A - Reconstruction of Airfield Perimiter Dike to MBM & Daughters - \$48,750.00

No. 82-0236

Resolution awarding Airport Contract No. 919A, Reconstruction of Airfield Perimeter Dike to MBM and Daughters, P.O. Box 3568, Redwood City, CA 94064 in the total amount of \$48,750.00

Contract provides for the construction of an Airfield Perimeter Dike as slope protection from wave erosion.

Four bids were received on August 11, 1982:

1. MBM & Daughters	\$48,750.00
2. Piombo Corporation	\$58,250.00
3. Sarott Construction Co.	\$58,900.00
4. Ferma Corporation	\$62,694.00



CONSENT CALENDAR

25. Tenant Improvement: United Airlines Maintenance and Operations Center - Installation of In-Rack Sprinkler System - T-2669-\$71,000.

No. 82-0237 Resolution approving the plans and specifications submitted by United Airlines for the installation of In-Rack Sprinkler System in Warehouse Building 68-A. No rental credit.

26. Tenant Improvement: TWA Plot 3 - Technical Services Relocation T-2678 - \$100,000.00

No. 82-0238 Resolution approving the plans and specifications submitted by Trans World Airlines, Inc., for the relocation of their Aircraft Technical Support Services from the Superbay hangar to their facilities at Plot 3.

27. Tenant Improvement: Hertz Rent-A-Car Alterations to Consumer Booth - Lot B - T-2677 - \$65,000.00.

No. 82-0239 Resolution approving the plans and specifications submitted by the Hertz Corporation for doing alterations to their customer service booth at Lot B.

28. Completion of Professional Services Agreement - S. Iyama and Associates - Contract 1022 - Pier e, Remodeling for PSA and Republic Airlines.

No. 82-0240 Proposed resolution accepting architectural and engineering services for S. Iyama and Associates as complete, for Contract 1022, Pier e Remodeling for PSA and Republic Airlines, and authorizing final payment of \$42,619.93 for a total fee of \$212,850.19 and requesting the Controller to certify a credit modification of \$1,149.81.

29. Landing Weights for Airlines' Aircraft.

No. 82-0241 To establish maximum gross landing weights for the aircrafts operated by the various airlines at the Airport.

30. Travel AAAE National Airports Conference.

No. 82-0242 Resolution approving attendance by one Airports Commission staff member to the AAAE National Airports Conference in Norman, Oklahoma, October 3-6, 1982.

\* \* \*



H. COMMUNICATIONS:

There were no items discussed by Commissioners.

\* \* \*

I. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*

K. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 5:00 p.m. to go into closed session.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



## MINUTES

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SPECIAL MEETING

MONDAY, SEPTEMBER 20, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



MINUTES OF THE  
AIRPORTS COMMISSION  
SPECIAL MEETING

Monday, September 20, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER:		1
B.		ROLL CALL:		1
C.		AGENDA ITEMS INVOLVING MAJOR OPERATIONAL DECISIONS:		
1.		Issuance of Airport Revenue Bonds, Series C, \$100,000,00.	82-0246	1-2
D.		ITEMS INITIATED BY COMMISSIONERS:		2
E.		ADJOURNMENT TO GO INTO CLOSED SESSION:		2



MINUTES OF THE  
AIRPORTS COMMISSION  
SPECIAL MEETING  
September 20, 1982

A CALL TO ORDER:

The Special Meeting of the Airports Commission was called to order at 9:00 a.m., in Room 2-B, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present:

Commissioners  
Morris Bernstein  
William K. Coblenz  
Ruth S. Kadish  
J. Edward Fleishell

Absent:

Commissioner Z.L. Goosby

\* \* \*

C. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following item was unanimously adopted.

1. Issuance of Airport Revenue Bonds, Series C, \$110,000,000.

No. 82-0246

Third supplemental resolution authorizing the issuance of \$110,000,000. principal amount of San Francisco International Airport Revenue Bonds, Series C.

Mr. Turpen asked Mr. Ken Hammon, Deputy Director of Business and Finance, to brief the Commission.

Mr. Hammon said that with the continuing decline in the interest rates and on the advice of our bond counsel and financial consultants a modification to the resolution is being presented. This modification would lower the maximum interest that can be bid from 14% to 13%. It also requires that we make modifications in the debt service schedule that has the impact of reducing our debt service by about \$1.5 million a year. Mr. Hammon indicated that the



bond counsel and financial consultants were present and ready to answer any questions.

Commissioner Fleishell wanted to know why the changes were not identified before the Finance Committee last week.

Mr. Hammon responded that all the calculations had not been completed and staff did not know how much a reduction could be made at that time.

Commissioner Coblenz suggested that the Chairman of the Finance Committee be contacted before the Board of Supervisors meeting today.

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D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

\* \* \*

E. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting adjourned at 9:05 a.m. to go into closed session.

*Jean Caramatti*  
Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, September 21, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

September 21, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES:	82-0268	1
D.		ANNOUNCEMENT BY SECRETARY:		1
E.		DIRECTOR'S REPORT		
	1.	Approval of Central Terminal Lockers Locations		2
	2.	Variance Action Plan		2
	3.	Telephone Communications Center in the Central Terminal		2
F.		ITEMS INITIATED BY COMMISSIONERS		2-3
G.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	4.	Recommendation for Change in Bid Opening Times	82-0254	3
	5.	Authorization to Bid	82-0255	3-4
	6.	Schematic Design Approval of Central Terminal Host Facilities		5
	7.	Police Disability		5
	8.	One Year Time Extension, Airport Parking Management Contract	82-0256	5
	9.	Type II Contract Modification Contract 1200B (3), Boarding Area D to Provide Additional Communications Conduit, High Temperature Wire, and Alarm Cables in Boarding Area D -- \$57,550.	82-0257	5
	10.	Resolution Approving Type II Modification to Contract 1220, Terminal Connectors, for Installing Windows in the South Connector to Accommodate Occupancy by the U.S.O. -- \$17,696.	82-0258	5
	11.	Contract No. 1216, Interior Finishings for North and South Connectors. Approval of Preliminary Design Budget and BAid Call	82-0259	5
	12.	Award of Contract No. 1461 Wood Lockers for Firehouse No. 1. \$14,949.00	82-0260	6



13.	Award of Contract No. 1465 Integrated Alarm System - North Connector Communications Center	82-0261	6
<b>H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS</b>			
14.	Modification of Professional Services Agreement with Deloitte, Haskins and Sells	82-0262	6
15.	Professional Services Agreement with Stevens and Associates, A.I.A., A.S.L.A., Landscape Architects.	82-0263	7
16.	Tenant Improvement: National Car Rental Lot A-1 Check - In Facility Expansion T-2679 - \$350,000.	82-0264	7
17.	Tenant Improvement: Hertz Rent-A-Car Relocate Dispatch Booth, Lot A T-2682 - \$30,000.	82-0265	7
18.	Attendance at Aviation Lighting Siminar	82-0266	7
19.	Resolution of Appreciation for Retiring Employee Annie Mae Leonard	82-0267	7
I.	COMMUNICATIONS		7
J.	TRAILING CALENDAR		7
L.	ADJOURNMENT TO GO INTO CLOSED SESSION		7



Minutes  
of the  
Airports Commission Meeting

September 21, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, California.

\* \* \*

B. ROLL CALL:

Present:

Commissioner Morris Bernstein,  
Z.L. Goosby, J. Edward  
Fleishell.

Commissioner Ruth S. Kadish arrived  
at 3:00 p.m.

Absent:

Commissioner William K. Coblenz

\* \* \*

C. ADOPTION OF MINUTES:

The following resolution was adopted by order of the Commission President.

No. 82-0268

Resolution adopting Minutes of the  
Airports Commission regular meeting  
of July 6, 1982.

\* \* \*

D. ANNOUNCEMENT BY SECRETARY:

In accordance with the Brown Act,  
Section 54957.1, Jean Caramatti,  
Commission Secretary, announced the  
unanimous adoption of Resolution  
82-0243 authorizing a modification  
for professional services of  
Farella, Braun and Martel in the  
amount of \$400,000; 82-0244  
authorizing modification for  
professional services of Morrison  
and Foerster in the amount of  
\$190,000 at the regular meeting of  
September 7, 1982; and, Resolutions  
82-0252 freezing all expenditures  
of Art Enrichment funds; and,  
82-0253 moving the time for opening  
principal concessionaire lease bid  
opening to 2:00 p.m., Friday,  
September 24, 1982 at the special  
meeting of September 20, 1982.

\* \* \*



E. DIRECTOR'S REPORTS:

The following items were put over.

1. Approval of Central Terminal Lockers Locations

Report detailing need for Central Terminal public lockers and resolution approving installation by American Locker of three (3) separate banks in Central Terminal and Boarding Area D.

2. Variance Action Plan

Report provides an analysis, current status and schedule of implementation of CALTRANS Variance granted SFIA, July 8, 1982.

Mr. Lou Turpen, Director of Airports, said this was a preliminary report on the Airports intentions with respect to the Variance Action Plan in terms of noise mitigation measures. A more formal document will be presented to the Commission in early November.

3. Telephone Communications Center in the Central Terminal.

\* \* \*

F. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Fleishell said that about a year ago there was some difficulty with the Art Commission and attempts were made to resolve those problems. An agreement was attempted to define parameters of each Commissions rights and obligations. The problems have not improved in the year that has passed. Commissioner Fleishell recommended that an amendment to the Administrative Code be considered which would remove the Airports Commission and its properties from the artistic control of the Art Commission. Mr. Garibaldi, Airports General Counsel, and Commissioner Fleishell urged the Commission, with the Mayor's consent, to move ahead to attempt to amend the Administrative Code.

Commissioner Fleishell moved (and seconded by Commissioner Goosby) that the Airports Commission be removed from those governmental bodies in the City subject to the artistic control and restraint of the Art Commission. Commissioner Fleishell recommended that this refer to the expenditure of monies as well. The specific language is contained in the drafted documents that Mr. Garibaldi presented to the Commission over a year ago.

Commissioner Bernstein called on Mr. Charles Harrod, attorney for Mr. Wayne Skiles, second bidder on the video game room.

Mr. Harrod said the bid that the successful bidder has defaulted on their bid of \$260,000. Mr. Skiles' bid was for \$96,000. Mr. Harrod asked the Commission to retract the resolution which would put the game room out to bid again and accept Mr. Skiles as the highest qualified bidder.

Commissioner Bernstein said that all bids have already been rejected.

Mr. Turpen reiterated Commissioner Bernstein's comment and added that staff has been instructed to rebid both the North Terminal and Central Terminal Concessions.



Commissioner Fleishell stated that since we have legally moved to reject all bids, we cannot go back and accept the next bidder.

Mr. Skiles said that three days before the successful bidder defaulted, Mr. Copelan, Airport Property Management, called him and asked if he was interested in taking over the space at his original bid if the first bidder defaulted. He told Mr. Copelan that he was interested. Mr. Skiles stated that he left his \$7500 deposit at Mr. Copelan's request and was told that if he took his deposit back he wouldn't have a chance at the bid.

Mr. Turpen said it was his recommendation to rebid the game room and that recommendation stands.

\* \* \*

#### G. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following item was unanimously adopted by resolution number 82-0253 at the special meeting of September 20, 1982 and ratified at this meeting.

##### 4. Recommendation for Change in Bid Opening Times.

No. 82-0254

1. Duty Free/In-Bond Merchandise Lease.
2. Principal Concession Lease and Agreement for Retail Merchandise Sales

Discussion regarding the merits of changing the times for opening of bids for the above concessions. Both now are slated to be opened September 24 at 10:00 AM.

The following item was adopted as amended.

##### 5. Authorization to Bid: Foreign Currency Exchange Lease.

No. 82-0255

Resolution approving specifications and authorizing a bid for a Central Terminal Foreign Currency Exchange Lease.

Mr. Turpen called on Mr. Skip Conrad, Airport Property Manager, to brief the Commission.

Mr. Conrad said this was identical to the lease that was previously presented to the Commission and was deferred pending the resolution of the banking services lease. Deak Perrera made the request that the bid documents be changed so that the rental adjustment on subsequent years, two through five, could be altered so that they did not reflect the change in the consumer price index but did reflect an increase in the number of enplaned passengers. Since foreign currency exchange has little, if anything, to do with the consumer price index this is an appropriate change and modification to the standard retail concession lease.

Mr. Conrad indicated there would be three sights in the Central Terminal: the main branch and two satellite branches.

He received a letter from the Bank of America yesterday which recommended certain changes similar to those made in the banking services lease. Most of them are minimal changes which he hopes the Commission would allow the City Attorney the discretion to make.



Mr. Conrad recommends approval so they can proceed with bidding the document and requests the discretion to make the minor changes, indicating they would not preclude any bidders.

Commissioner Fleishell asked if the \$35,000 a year aggregate rent was consistent with the bids that other airports have received.

Mr. Conrad replied that it was not. The rent was arrived at by taking the current category two rental rate and multiplying it out by the square footage. A higher rental is anticipated but because of the flux in the market we are not prepared to predict what that rental would be.

Commissioner Bernstein asked Mr. Conrad to explain his reasoning behind removing the CPI.

Mr. Conrad responded that it would be similar to the CPI adjustment clause in our standard lease, wherein if there were no increase in the consumer price index there would be no adjustment in their rental.

Commissioner Fleishell asked if it was staff's intention to remove the CPI paragraph from all future leases.

Mr. Conrad replied no.

Commissioner Fleishell remarked that we may not have additional passengers yet the cost of electricity goes up as well as all of our services (police, fire, etc); wouldn't this be a favorable position for the successful bidder.

Mr. Turpen said that if the Commission did not agree with the staff recommendation of enplanements then a CPI could be put in the lease.

Commissioner Fleishell remarked that staff had a point about CPI; that it might not be the best index to use. He assumed it would be the Commission's recommendation to not go along with an enplanement figure but rather take whatever index the staff thinks most closely approximates the financial activity at the Airport and to include that as a factor in the lease.

Mr. Turpen said some type of CPI would be included and the enplanement figure would be eliminated.

Commissioner Fleishell again asked Mr. Conrad if he felt the \$150 per square foot for the cost of improvement of premises was a reasonable figure.

Mr. Conrad responded that it will help insure that all the concessions are built up to a similar standard of quality. Discussions with concessionaires over the past several months have indicated that this is perhaps a high figure but a good ceiling for us to get a high quality of construction and design.

Commissioner Fleishell, commenting on the forfeiture bond, indicated that it should be painful for bidders to back out.

Mr. Conrad said that he agreed and that it should be at least six figures.

Mr. Turpen said he was in complete agreement with Commissioner Fleishell that the bid bond and the minimum acceptable bid be raised substantially and recommended \$100,000 for each.

Commissioner Goosby said he would be in favor of the bid bond and minimum acceptable bid being raised provided this was not a Commission policy.

Mr. Conrad said that would not be the intent.

Mr. Turpen asked the Commission if they approved of a \$100,000 bid bond and \$100,000 minimum acceptable bid; they agreed to the increases.



The following items were put over.

6. Schematic Design Approval of Central Terminal Host Facilities

Resolution approving the schematic designs of Host's new or remodeled Central Terminal and Boarding Area D facilities.

7. Police Disability

Resolution authorizing disability benefits for Airport Police Officers.

Mr. Turpen said he received a telegram this morning from Paul Van Wert, Chairman of the Airline Affairs Committee, indicating that he had received the additional information on the police disability plan, but that there were questions of a number of airlines serving San Francisco that had to be responded to and Mr. Van Wert requested that this item be put over until such time as those questions were answered.

The following items were unanimously adopted.

8. One Year Time Extension, Airport Parking Management Contract.

No. 82-0256

A Commission resolution approving a one year extension of the management contract with APM to operate the Airport's parking facilities from December 1, 1982 to November 30, 1983. This is the second of four (4) one-year time extension options under Section 9 of the original contract.

9. Type II Contract Modification, Contract 1200B(3), Boarding Area D to Provide Additional Communications Conduit, High Temperature Wire, and Alarm Cables in Boarding Area D -- \$57,550.

No. 82-0257

Funds for this work are available in the previously approved Contract 1424, Communication System Modernization project and will be transferred to Contract 1200B(3). Details of this modification are described in memorandum to Commission dated August 23, 1982.

10. Resolution Approving Type II Modification to Contract 1220, Terminal Connectors, for Installing Windows in the South Connector to Accommodate Occupancy by the U.S.O. - \$17,696.

No. 82-0258

Approved funds are available from the amounts set aside for Type II Modifications.

11. Contract No. 1216, Interior Finishings for North and South Connectors. Approval of Preliminary Design Budget and Bid Call.

No. 82-0259

Resolution approving the preliminary design and budget for Contract 1216, Interior Finishings for Terminal Connectors, and authorizing the Director of Airports to call for bids when ready and appropriate.

The scope of the project provides interior partitioning, utilities, mechanical systems, cabinet work, and finishes for U.S.O., military



services facilities, Airport Community Affairs offices, Landside Operations, and concessions including game room, barber shop with showers, and passenger service shop.

Commissioner Fleishell said everyone has approved the plans but the architect who designed the outside of the connector. He does not understand why a second architect was needed to construct the interior, but since two were used why didn't they consult with one another to insure continuity of design.

Mr. Turpen replied that he understood Commissioner Fleishell's concerns; that it was his understanding that a coordinating effort was made but would check on it and get back to him.

Commissioner Goosby said that some time ago there was a tentative agreement to try and find a space for an American Indian handcrafts display. He asked Mr. Turpen to look into this.

12. Award of Contract No. 1461 Wood Lockers for Firehouse No. 1  
\$14, 949.00.

No. 82-0260

Resolution awarding Contract 1461, Wood Lockers for Firehouse No. 1 to See View Inc., in the total amount of \$14,949.00.

13. Award of Contract No. 1465 Integrated Alarm System - North Connector Communications Center.

No. 82-0261

Resolution awarding Contract No. 1465 to Denalect Alarm Company, P.O. Box 5379, 1309 Pine Street, Walnut Creek, California, 94596 in the amount of \$209,700.00.

The purpose of this contract is to furnish and install a microprocessor software-based alarm detection and reporting system, modify existing alarm systems, and provide all interconnecting wiring for a complete operational system.

One bid was received on August 23, 1982:

1. Denalect Alarm Company  
\$209,700.00

\* \* \*

#### H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS.

The following items were unanimously adopted.

14. Modification of Professional Services Agreement with Deloitte, Haskins and Sells.

No. 82-0262

Resolution requesting the City Controller to modify the Agreement with Deloitte, Haskins and Sells for bond issue auditing services at an additional cost not to exceed \$20,000.



15. Professional Services Agreement with Stevens and Associates, A.I.A.,  
A.S.L.A., Landscape Architects.

No. 82-0263

Resolution awarding contract to provide professional services for Contract 1234, Landscape Garage Perimeter. Stevens & Associates is selected from the short list of minority design firms approved by the Commission. Fee: \$27,000; soil investigation and testing: \$3,500; budget for inspection services: \$8,000; budget for additional services and reimbursement: \$1,500; total amount to be certified: \$40,000.

Commissioner Fleishell asked why this was not being bid.

Mr. Don Garibaldi, Airports General Counsel, said there was no legal requirement to bid professional services agreements.

16. Tenant Improvement:

National Car Rental  
Lot A-1 Check - In Facility Expansion  
T-2679 ~ \$350,000.

No. 82-0264

Resolution approving the plans and specifications by National Car Rental to expand their check-in facility. No rental credit.

17. Tenant Improvement:

Hertz Rent- A- Car Relocate Dispatch Booth, Lot A  
T-2682 ~ \$30,000.

No. 82-0265

Resolution aproving the plans and specifications by the Hertz Corporation to relocate a dispatch booth. No rental credit.

18. Attendance at Aviation Lighting Seminar.

No. 82-0266

Resolution approving the attendance of Baljit Boparai, Associate Electrical Engineer, at Illuminating Engineering Society Aviation Lighting Seminar to be held in Seattle, Washington from October 4 to 8, 1982.

19. Resolution of Appreciation for Retiring Employee  
Annie Mae Leonard.

No. 82-0267

\* \* \*

#### I. COMMUNICATIONS:

There were no items discussed by Commissioners.

\* \* \*



J. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*

L. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 2:55 p.m. to go into closed session.

*Jean Caramatti*  
Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, October 5, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

October 5, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES	82-0279	1
D.		DIRECTOR'S REPORTS:		
1.		J-PARK - Verbal Report		1-2
2.		Passenger Survey and Analysis		2
3.		Management By Objectives (MBO) Annual Report for Fiscal Year 1981-82		2
E.		ITEMS INITIATED BY COMMISSIONERS		2
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
12.		Bid Call: Contract No. 1200B(5) Water Display Fountain for Boarding Area D.	82-0276	3
4.		Schematic Design Approval of Central Terminal Host Facilities	82-0271	3-4
5.		Commend Domestic Airlines for Achieving 55% Compliance with FAR Part 36	82-0272	4
6.		Approval of Lease: U.S. Postal Service	82-0273	4
7.		Award of Lease: Duty Free/In-Bond Merchandise Sales Concession	82-0269	4
8.		Award of Lease: Principal Concession Lease and Agreement	82-0270	4
9.		Resolution Amending Soaps and Lotions Cart Lease Specifications		4-5
10.		Supplemental Appropriation of \$800,000 for the Purpose of Making Payments to the Airport Revenue Bond Reserve Fund	82-0274	5
11.		Approval of Marriott Corporation's Proposal to Landscape within 50 Foot Slope Easement in Conjunction with Burlingame Hotel Project	82-0275	5-6
13.		Award of Contract No. 1455 Shuttle Bus Maintenance Building \$290,774	82-0277	6



G.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:	
14.	Tenant Improvement: Avis Rent-A-Car System, Inc. Lot B-1 Express Booth, Dispatch Booth and Lighting T-2687 - \$90,000.	82-0278 6
E.	ITEMS INITIATED BY COMMISSIONERS:	6-7
H.	COMMUNICATIONS:	7
I.	TRAILING CALENDAR:	7
K.	ADJOURNMENT TO GO INTO CLOSED SESSION	7



Minutes  
of the  
Airports Commission Meeting

October 5, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present: Commissioners Morris Bernstein,  
William K. Coblenz, Ruth S. Kadish  
Z.L. Goosby, J. Edward Fleishell.

\* \* \*

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of July 20, 1982 were adopted by order of the Commission President.

No. 82-0279

\* \* \*

D. DIRECTOR'S REPORTS:

1. J-PARK - Verbal Report

Mr. Turpen, Airport Director, has talked with San Mateo County and some of the local municipalities regarding a joint effort for parking fine collections. During that time Judge Delarios, of the Northern District Municipal Court, went through similar discussions with a private vendor and has since engaged a private vendor to process citations for the court.

The agreement reached between the court and San Mateo County is that the court, through its contracted agent, will process parking citations through January 29, 1983. If these citations are processed in a timely manner there would be no need to pursue the concept of J-PARK. The current distribution of parking fines is 50-50 as dictated by Section 1463 of the California Penal Code. San Mateo County has agreed to enter into discussions with the member cities concerning a more realistic adjustment of the parking citation revenue. Mr. Turpen said he would keep the Commission advised.

Commissioner Fleishell said that the question of the percentage of the fine that the Airport receives is unrelated to the manner of collection of the fine. He sees no reason for the Airport to wait to



determine what San Mateo County does about collecting the fine. Regardless of the method they utilize we are entitled to a greater share because we have raised our fees over 100%. He urged that steps be taken immediately to deal with the renegotiation of the percentage.

Mr. Turpen said that steps would immediately be taken to enter into negotiations with San Mateo County.

## 2. Passenger Survey and Analysis

Mr. Turpen said that as a result of the passenger survey in April the Commission had some questions about the difference in passenger information/passenger service ratings. Those two categories went down by 2% and 3% respectively and there was some question as to the significance of the reductions.

Mr. Turpen indicated that the reduction could be attributed to two things: sampling error or clarity as to what was meant by passenger information /passenger assistance. Staff conducted a supplemental survey in August which is included in the commission's agenda package. The North Terminal receives appreciably higher ratings than the South Terminal for obvious reasons. Twenty-seven of the 35 airlines serving the Airport are in the South Terminal; the South Terminal bears over 50 percent of the airline traffic. The ratings for the South Terminal will probably remain at the same level until the relocation of the international carriers which will reduce traffic through the South Terminal to 30% and will be more in line with its design concept.

## 3. Management By Objectives (MBO) Annual Report for Fiscal Year 1981-82.

Report covers the Airport's activities and accomplishments during FY 1981-82 including goals and objectives for FY 1982-83; and a separate report of the Performance Measurement Assessment. The MBO report is a product of Airport's Financial Information and Resources Management (FIRM) System.

Mr. Turpen said copies of the annual report were provided for the Commission's information. The Mayor is currently reviewing the report and it is her intention, after her review, to share her thoughts with the Commission.

Mr. Turpen called the Commission's attention to the two page summary and made the following correction: The 7 percent ADIM objective was net.

\* \* \*

## E. ITEMS INITIATED BY COMMISSIONER:

Commissioner Kadish said that the noise pamphlet received from Vancouver was clear, succinct and to the point. She suggested that staff might consider doing something similar; that it would not be given out at the Airport but distributed to Peninsula constituents. Commissioner Kadish gave a copy of the brochure to Mr. Turpen.

Mr. Turpen said that he had not had the opportunity to review the brochure. He said he would like to get back to the Commission with a synopsis of all the brochures that the Airport puts together.

\* \* \*



F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS.

The following items were unanimously adopted.

12. Bid Call:

Contract No. 1200B(5)  
Water Display Fountain for Boarding Area D.

No. 82-0276

Resolution approving bid call for purchase and installation of water display fountain for Boarding Area D.

This item was taken out of sequence at the request of Mr. Turpen.

Mr. Turpen called on Mr. Gordon Johnson of Gensler Associates to brief the Commission.

Mr. Johnson said that although the water fountain was an integral part of the project when it was designed it was an alternate to the contract when it was originally bid. This was due to the fact that the project was bid in three different parts and there was concern about the total project budget. However, the project came in \$500,000 under budget and sub-contractors have been contacted regarding construction of the fountain.

Commissioner Goosby asked about energy costs for maintaining the fountain.

Mr. Johnson replied that the estimated energy costs for maintaining the fountain would run about \$1500 per month if the fountain was operated 16 hours a day, seven days a week. The system is designed to practically eliminate maintenance with the exception of cleaning filters.

Commissioner Kadish said that she intended to vote in favor of this with the understanding that staff would be instructed on maintenance and a maintenance manual would be prepared and given to staff.

4. Schematic Design Approval of Central Terminal Host Facilities.

No. 82-0271

Resolution approving the schematic designs of Host's new or remodeled Central Terminal and Boarding Area D facilities.

Mr. Art Spring, Host, said that this item does not include the International Room or the proposed facilities for the lower level baggage claim area. The item covers four areas: cocktail lounge with food service; a snack bar and ice cream facility; expanded cocktail seating in the original cocktail lounge in the main lobby, and expanded seating in the fast food cafeteria.

Mr. Spring described the facilities and used charts as a visual aid.

Commissioner Coblentz asked how many eating facilities were planned for the Central Terminal.

Mr. Spring replied that there was the International Room (150 seats), and the cafeteria operation (140 seats) before security. After security there is the Vista at Boarding Area D (262 seats) which will have food service similar to the Crab Pot, and a snack and ice cream facility.

Commissioner Kadish said she had problems with there only being a relatively expensive facility and a stand-up-take out facility after security.



Commissioner Coblenz said that aside from the need for sufficient seating you also need large litter boxes to handle the take-out debris.

Commissioner Kadish agreed with Commissioner Coblenz adding that the litter receptacles be properly labeled.

Commissioner Coblenz said that since Jason Yuen, Mr. Gensler and Mr. Johnson have reviewed this he recommended approval with the provision that large trash cans be added.

Mr. Johnson responded that the furniture budget included provisions for trash receptacles.

5. Commend Domestic Airlines for Achieving 55% Compliance with FAR Part 36.

No. 82-0272

Fifty-five percent of domestic aircraft fleet meet compliance of FAR Part 36 Noise Certification Standards.

Mr. Turpen said that the last whereas clause should read January 1, 1983.

6. Approval of Lease:  
U.S. Postal Service

No. 82-0273

Resolution approving lease to U.S. Postal Service for automated postal center in North Terminal and approving installation, plans and specifications.

7. Award of Lease:  
Duty Free/In-Bond Merchandise Sales Concession

No. 82-0269

Resolution awarding lease of Duty Free/In-Bond Merchandise Sales Concession for Central Terminal to Duty Free Shoppers, Inc.

8. Award of Lease:  
Principal Concession Lease and Agreement

No. 82-0270

Resolution awarding lease of Principal Concession Lease and Agreement for retail sales in Central Terminal to Duty Free Shoppers, Inc.

The following item was put over.

9. Resolution Amending Soaps and Lotions Cart Lease Specifications.

Recommendations and changes to Soaps and Lotions Cart lease specifications and resolution approving said changes.

Mr. Turpen said that the original plan called for \$10,000 and 3 years. He questioned the advisability of reducing the minimum bid to \$6,000 and whether or not this type of concession for that location should even be considered if \$6,000 was the best they could look at.



Approximately 10 million passengers will pass through the concourse during the calendar year. If there are no bidders at \$10,000 then possibly an alternate use should be examined for that location.

Commissioner Kadish said that there may be a large number of passengers on their way to Los Angeles or Seattle, for example, but they will not necessarily do much purchasing.

Mr. Turpen responded that that was the argument staff used and why he acquiesced

Commissioner Bernstein commented that it may well be that that is not the right location but he feels it is one of the duties of the landlord to try to protect a tenant. He said it also may well be that the Airport is not getting enough money for that location. He asked if staff knew how the concession did last year or the year before.

Mr. Copelan, Airport Property Manager, said he had just received their unaudited statement and their operating loss for 1980 was \$12,400 and for 1981 it was \$1,500.

Mr. Turpen recommended keeping the minimum at \$10,000.

Commissioner Kadish responded that if you set the minimum higher and it is not met then the concessionaire will have to pay out of pocket. If the concessionaire goes above the minimum the Airport receives 15 percent.

Commissioner Kadish asked what percentage of business is done with the international traveler?

Ms. Keller, Soaps and Lotions Cart, responded that it was 35 percent.

Commissioner Bernstein commented that perhaps this type of operation should be eliminated, however this was done to encourage small and minority business enterprises.

Mr. Turpen said that type of business should be continued. However, he brought this to the Commission's attention because it is a prime location and possibly an alternate use should be considered before we entered into a lease agreement.

Commissioner Fleishell said that it is staff's function to tell the Commission how to use prime locations. If this is a prime location, then using it for this type of concession does not make sense. We should have operations like this but not in that type of a location.

Mr. Turpen said he has not had an opportunity to go over this idea at any length with staff. He recommended putting the item over and he would get back to the Commission with a firm recommendation in terms of its location and if anything else could or should be supported in that space.

The following items were unanimously adopted.

10. Supplemental Appropriation of \$800,000 for the Purpose of Making Payments to the Airport Revenue Bond Reserve Fund.

No. 82-0274

Resolution requesting an \$800,000 Supplemental Appropriation for the Purpose of Making Payments to the Airport Revenue Bond Reserve Fund, as required by the Third Supplemental Master Bond Resolution.

11. Approval of Marriott Corporation's Proposal to Landscape within 50 Foot Slope Easement in Conjunction with Burlingame Hotel Project.



No. 82-0275

Resolution approving landscaping on City property to which Marriott holds certain easement rights, subject to agreement between the City and Marriott as to maintenance indemnity and consideration.

13. Award of Contract No. 1455  
Shuttle Bus Maintenance Building  
\$290,774

No. 82-0277

Resolution awarding Contract No. 1455, Shuttle Bus Maintenance Building to Compleat Builders, Ltd., 210 Clara Street, San Francisco, CA 94107, in the amount of \$290,774.00 on the Base Bid and Alternate "A" only.

Bids received on September 8, 1982:

Company	Base Bid	Extension			
		Alternate "A"	Alternate "A"	Alternate "B"	Alternate "C"
1.Compleate Builders,Ltd.	\$277,054.	13,720.	2,664.	5,339.	24,573.
2.Hodgson Const., Inc.	344,393.	16,341.	2,160.	1,328.	17,414.
3.Page Const.Co.	348,330	14,800.	3,960.	2,430	23,400.
4.Cresci Elec.Inc.	384,608	50,000.	6,480.	6,729.	19,985.

Construction time is 90 calendar days.

\* \* \*

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The following item was unanimously adopted.

14. Tenant Improvement:

Avis Rent-A-Car System, Inc.  
Lot B-1 Express Booth, Dispatch Booth and Lighting  
T-2687 - \$90,000.

No. 82-0278

Resolution approving the plans and specifications by Avis Rent-A-Car Systems to install an express booth, dispatch booth and lighting in Lot B-1.

No rental credit.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Kadish said that it had been requested that the North Terminal Janitorial questionnaire, which the Commission receives once a



month, be discontinued on the basis of their continued excellent ratings. Commissioner Kadish did not find these ratings to be excellent and recommended they be continued until they reach that level.

Mr. Turpen said it was his intention to present the reports in writing rather than place them on the calendar as Director's Reports. If the Commission preferred, he would calendar them as Director's Reports.

Commissioner Kadish replied that a written report would be fine.

Mr. Turpen said that if service slipped he would be happy to bring it before the Commission in public session.

\* \* \*

#### H. COMMUNICATIONS:

There were no items discussed by the Commission.

\* \* \*

#### I. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*

#### K. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 3:15 p.m. to go into closed session.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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P U B L I C I P D & P V

## MINUTES

SPECIAL MEETING

WEDNESDAY, OCTOBER 13, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
AIRPORT COMMISSION SPECIAL MEETING

WEDNESDAY, OCTOBER 13, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER:		1
B.		ROLL CALL:		1
C.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:		2-4
	1.	Resolution to Award the Series C Bonds	82-0280	2
	2.	Fourth Supplemental Master Bond Resolution	82-0281	4
D.		ITEMS INITIATED BY COMMISSIONERS:		5
E.		ADJOURNMENT:		6



MINUTES

SPECIAL MEETING  
of the Airports Commission

October 13, 1982

A. CALL TO ORDER:

The special meeting of the Airports Commission was called to order at 11:30 am, in Room 282, City Hall, San Francisco.

\* \* \*

B. ROLL CALL:

Present:

Commissioners  
Morris Bernstein,  
William K. Coblenz,  
Ruth S. Kadish,  
Zuretti L. Goosby,  
J. Edward Fleishell

\* \* \*

C. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were unanimously adopted:

1. Resolution to Award the Series C Bonds

No. 82-0280

Resolution approving  
the award of the  
Series C Bonds on the  
basis of the bid with  
the lowest effective  
interest.

Mr. Ken Hammon, Deputy Director Business and Finance, Acting as Director of Airports, asked Terry Atkinson, Salomon Brothers, Inc., the Airport's Financial Consultants, to report on the outcome of the bid:

Two bids were received: Blyth, Eastman, Paine and Webber, Inc. at an effective rate of 8.90144%, and First Boston Corporation at an effective rate of 8.9966%. Blyth, Eastman, Paine & Webber did not comply with the notice of sale and were determined to be not qualified. Legal alternatives were: To accept First Boston bid; or reject all bids, and readvertise for 15 days; or reject all bids and negotiate with some ill-defined group. Risks of the market could not guarantee that anyone would be there at the rate set earlier. Both were fine bids and First Boston was within 10 basis points of the first bid..

Attorney William Donovan of Orrick, Harrington and Sutcliffe, counseled that the Blyth, Eastman bid did not comply with the notice of sale.



Commissioners Bernstein, Coblenz and Kadish asked the Honorable Mary Callanan, Treasurer of San Francisco, why the bid amount was not locked in a week ago at a higher rate. Treasurer Callanan said that in anticipation to the receipt of Airport Bond sale proceeds, the Treasurer's staff adjusted its cash management procedures to secure maximum yield and liquidity and minimize the impact of projected lower interest rates; that this was accomplished in tandem with the City's general (pooled) fund by utilizing short-term monies to purchase longer maturities in a very favorable interest environment and selling the longer maturities to the Revenue Fund at predetermined mutually beneficial rates.

Commissioner Bernstein suggested the 8.9962% bid by First Boston, be accepted as recommended by counsel and staff.

2. Fourth Supplemental Master Bond Resolution

No. 82-0281

Resolution approving the maturity and sinking fund schedules for the Series C Bonds. These schedules will be determined on the basis of the bid with the lowest effective interest cost.

Mr. Hammon said the proposed resolution was mandatory to set up the Series C Bond servicing schedule. Having adopted item #1 it was mandatory to adopt item #2.

\* \* \*

D. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Fleishell said that at the last meeting concerning the bond issue Commissioner Coblenz and he had asked about putting together a public relations program to take advantage of the issuance of the Series C Bonds and was told nothing could be done until bonds were sold. Now that the bonds have been sold he asked what public relations plan had been put together and when it would be implemented.

Mr. Hammon said the bonds must be delivered and funds received before action could be taken; that he is working with Mayor Feinstein's Office to put a program together.

Treasurer Callanan said in anticipation of more monies coming in, all City funds are committed to get the highest rates; and hoped to shift some of these funds to the Airport when they are delivered so that as much as could be done to protect the rates has been done.

Attorney Donovan, Donald McFadyen of Salomon Bros, and Atkinson joined to compliment and congratulate the Commission and Airport staff for a successful sale at an interest rate considerably better than that predicted.

Commissioner Coblenz said it was the economy; that President Reagan had taken care of that.

Commissioner Bernstein thanked the consultants and staff, saying it would have better if we had saved the \$2 million represented by the other bid.

McFadden said these were first municipal revenue bonds sold under 9% in the past three years.



Commissioner Fleishell stressed that we have a story that is not being told - wait, wait, wait ... he is told. The Bond sale in this community, certainly in the Airport community, is a big story and it is not being told.

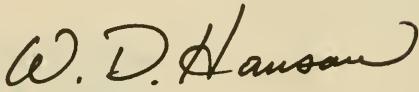
\* \* \*

Commissioner Kadish said that on September 20th, the Airports Commission adopted Resolution No. 82-0252 freezing funds for the Arts Commission, inasmuch as those funds had previously been transferred to the Art Commission account, and that she would recommend rescinding that resolution."

\* \* \*

E. ADJOURNMENT:

There being no further calendared business before the Commission, the meeting was adjourned at 11:45 am.



W. D. Hanson  
Public Relations Manager  
Secretary (Acting)



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

TUESDAY, OCTOBER 19, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



SUMMARY AND INDEX  
TO MINUTES  
OF THE REGULAR  
AIRPORTS COMMISSION MEETING  
October 19, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page Number
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ANNOUNCEMENT BY SECRETARY:	82-0279.1	3
D.		SPECIAL ITEMS:		3
	1.	Retirement of Airport employee Silvio Tringale	82-0282	3
	16.	Mayor's review of Airports Commission 1981/82 Management By Objective performance		4-4
E.		DIRECTOR'S REPORTS:		4-5
	2.	Airport Round Table of September 16, 1982		4
	3.	Modification to parking fee structure for revenue control		4
	4.	Commemorative brochure - Central Terminal opening		4
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:		5-8
	5.	Airport opposition to the Plaza Inn, Millbrae, California	82-0283	8
	6.	Request to establish an additional Airport Police Captain		5
	7.	Resolution approving a Type II modification to Contract 1200B(4) Central Terminal Remodeling	82-0284	8



Summary and Index (continued)

8.	Resolution rescinding prior lease modification for Barber Shop Lease	82-0285	8
9.	Resolution amending lease specifications and inviting bids for Soaps and Lotions Cart	82-0286	8
10.	Selection of Architectural and Engineering firms to serve as consultants for Capital Projects	82-0287	5-7
G.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		8-10
11.	Declaration of Emergency - Sewer	82-0288	9
12.	Declaration of Emergency - Pavement	82-0289	9
13.	Tenant Improvement	82-0290	9
14.	Resolution establishing succession in absence of Director of Airports	82-0291	9
15.	Resolution approving the action of the Director of Airports in the settlement and compromise of claims	82-0292	10
H.	TRAILING CALENDAR:		10
I.	ITEMS INITIATED BY COMMISSIONERS:		
	Resolution rescinding Resolution No. 82-0252	82-0293	10
J.	CLOSED SESSION AND ADJOURNMENT:		10



Minutes  
of the  
Airports Commission Meeting

October 19, 1982

A. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 pm, in Room 282, City Hall, San Francisco.

\* \* \*

B. Roll Call:

Present:

Commissioners  
William K. Coblenz,  
Ruth S. Kadish,  
Zuretti Goosby,  
J. Edward Fleishell

Absent:

Commissioner  
Morris Bernstein

\* \* \*

C. Announcement By Secretary:

Commissioner Coblenz announced the unanimous adoption of Resolution 82-0279.1, approving the settlement of a litigated claim, in Closed Session on October 5, 1982.

\* \* \*

D. Special Items:

The following item was adopted by a unanimous vote.

1. Resolution of Appreciation for Silvio Tringali; a retiring employee.

No. 82-0281

\* \* \*

The following item was taken out of sequence.

16. Mayor Feinstein to address the Airports Commission on the annual review of Airport's Management by Objective (MBO) performance for Fiscal Year 1981-82.

The Honorable Dianne Feinstein, Mayor of San Francisco, presented prepared comments, a copy of which is attached to these minutes and incorporated herein by reference. In addition the Mayor stated that the MBO program sets objectives for each City department, in percentages or units, generally related to areas reviewed as critical endeavor and as a measurement of performance; that the



D. Special Item: (continued)

departments are expected to do their level best to make the targets that are set and if they don't the Commission is expected to question why the targets are not met;

That the Commission is asked to participate in the setting of objectives for the department;

That it is the Commission's purpose to provide the oversight and set the policy to be assured and as the Mayor's representatives to ensure the department is well run;

That the Commission is the Mayor's right hand in setting policy, reviewing administration and providing general oversight;

That the Airport has been in the MBO for three years and the Mayor is very, very pleased with the performance to date;

That this is the first department this year that the Mayor will go before the honorable Commission thereof and hoped that every department has seen the same progress;

That the Airport now, for the first time in history, is on the right track;

That we have \$110 million about to be spent and we must see that it is spent, by an outside review, in a proper and cost effective way;

That there is a very hostile public official and public community in San Mateo County and the Commission must recognize that and move to correct it;

That the staff should be commended for the Airport receiving the fourth consecutive award from the Aviation Safety Institute, which is a sign of a major and good staff effort;

That the Mayor was originally a dissenter to the Art Exhibition Program - "Why should airports be in the arts business?" - but it is as delightful an art program as the Mayor has seen, anywhere, and on a personal note, when the Mayor's mother-in-law takes a friend to lunch at the Airport to see the art exhibit, then this Commission has indeed created something very special out there, and that is increasingly the case - it has added a humanness - it has added a spark to the Airport which all the tired travelers very much appreciate; and

That the Mayor does not want to see friction between Commissions - the friction seen arising between this Commission and the Art Commission is not going to be tolerated - the Mayor asked that that problem be solved, leaving it up to the Commission and requesting a report on how it will be done - it is not acceptable to the Mayor to have two of the City's finest Commissions at cross purposes with one another.

Commissioner Coblenz expressed the Commission's gratitude for the Mayor's support in their endeavor.

\* \* \*

E. Director's Reports:

2. Airport Round Table - September 16, 1982 .

3. Modification to parking fee structure for revenue control.

Mr. Turpen discussed a change in parking fees and elimination of difference in pricing for oversized vehicles.



4. Commemorative brochure - Central Terminal opening.

Mr. Turpen presented a copy of Men, Money and Mud by William Flynn and asked Commission to consider he be hired to bring this informative publication up to date, and ready for the opening of Central Terminal.

\* \* \*

F. Agenda Items Involving Major Policies or Operational Decisions:

The following item was ordered put over:

6. Request to establish an additional Airport - Police Captain position.

Resolution calls for the elimination of two (2) 9210 Airport Police Officer positions and the addition of one (1) Airport Police Captain's position. The resulting difference in pay is a cost saving of \$15,856.00.

\* \* \*

The following items were taken out of sequence and unanimously adopted as amended:

10. Selection of Architectural and Engineering firms to serve as consultants for Capital Projects.

No. 82-0287

Preliminary approval of the Selection Committee's nomination of consultants for the following projects;

1. South Terminal modernization program (4 projects).
2. Overlay & reconstruct Runway 1L-19R.
3. Apron for Boarding Area A.
4. Overlay & reconstruct Runway 1R-19L & install centerline lighting
5. Reconstruction of Airfield Dikes, Phase II/

6. Reconstruct Taxiway L.

Resolution will express Commission's concurrence with the Selection Committee's recommendations and authorizes the Committee to proceed with the negotiations and development of contracts for the Commission approval.



Commissioner Coblenz called on Howard Friedman, Architectural Consultant to the Airports Commission, who stated that it was intended to maximize the number of architects, including minorities, participating in the South Terminal in a primary capacity, over and above the minority requirements of the Human Rights Commission; that to achieve this, and with due concern for prudence, the project was divided into seven pieces with the full knowledge that maximizing of architects will complicate the programming and coordination process; however, it is a workable scheme, perhaps not the most efficient, but most worthy of airing on the side of morality, virtue and community responsibility; that all architects recommended are drawn from the existing and approved short list of architects for major projects and short list of minority architects for smaller projects; that should these architects be approved, the short list for major projects will be exhausted as will the majority of the minor projects list; that the promulgation of new lists, for both projects, may be in order; that the proposed architects all have acknowledged competency and good track records of performance.

Friedman then reviewed in detail each of the seven projects and recommendations, responding to various detailed questions and comments from the Commission, pointing out that he has retained the firm of David Fong, Shulde and Chen, who worked on this in the Ansen and Allen office, to assist in developing the master plan and coordinating the work; that appropriate credit for prior work accomplished will be negotiated with each architect; that negotiated contracts will be based on scope of the work, fee and the budget, along with the ability to coordinate, cooperate and accommodate some of the other functions, and that all firms have been selected because of track record and competency.

Commissioner Goosby asked about the HRC 25% requirement for minority subcontractors and was told that this would apply to prime architects including the recommended minority firms.

Commissioner Goosby suggested the approval of the recommended engineers be held over to the next meeting to provide for further discussion.

Commissioner Coblenz called on Celso Ortz, Vice President Western Development Energy Planning Corporation, who expressed his compliments for the Commission's vigorous program in the minority business enterprises and stated that the Commission should take a further step by monitoring the progress made in implementing the program; that he is interested in submitting proposals to participate in the construction phases of the program; and that the list of minority contractors should be updated.

Commissioner Coblenz expressed the Commission's thanks stating that these points will be from there.

Commissioner Coblenz received assurance from Mr. Turpen that the Airport has no engineering classification layoffs anticipated or planned.



David Novogrodsky, Business Agent, IFPTE Local 21, questioned that assurance referring to a recent newspaper item about the retired Chief Engineer and stated that the Airport should go through Proposition J and procedures; that the Airport engineering staff is 50% under strength; that the engineer selection should be put off until it can be proved that outside engineers can do the work cheaper than City forces; and that City and Civil Service procedures seem to be circumvented in this matter.

Mr. Turpen stated that he would be pleased to brief Novogradsky.

Don Garibaldi stated that there was no basis for requiring Proposition J determination; that these contracts will be referred for approval.

Commissioner Kadish asked what the impact on the program will be in selecting the three engineers if the program is held over.

Mr. Turpen said a two week delay on the three engineering contracts would not be detrimental and would give him an opportunity to meet with Local 21.

Commissioner Coblenz suggested the resolution be limited to the architectural firms and that the engineer firms be deleted and put over for two weeks.

Mr. Fred Jordan, Black Chamber of Commerce, Black Leadership Forum, and his own firm, Jordan, Aven and Associates, stated that this whole program included 3 or 4% black participation; that there are competent MBE Bay Area firms which would like to be part of this program; that his firm was the first black architectural and engineering firm in the Bay Area, having been here 14 years, with 5% of their work in the City and currently with 4 or five projects on the St. Louis Airport; and that he questioned being "short listed" being one of the largest black firms west of the Mississippi; and that he would like to be included instead of excluded.

Mr. Friedman said he had discussed this with Jordan; that he did not know why Jordan's firm was not on the short list of approved architects; that perhaps at the time the short list was put together the firm was more into engineering; and that Jordan's firm will be considered in the future.

Hayden Lee, representing Asian Inc., said they were concerned with the Gensler's contract; that the work should be spread out; that the Commission should oppose or not award the contract at this time.

Sid Norman, Urban Design Consultants, said that black architectural firms, such as his own, should be contacted through an outreach program to give them required experience either in a primary or subcontractor role.

Mr. Freidman said he had reached into the community over three years ago to create the list; that many projects have been awarded from that list; that the time has come for a new list for smaller projects; and that the other way is to use those firms, which are being constantly sought out, in a subcontractor role.

Commissioner Goosby reviewed the HRC requirements of 25% MBE and 5% WBE and suggested that this would be the area to approach for subcontracting work, and indicated his satisfaction with Gensler's selection because of the complexity of the project; pointing out that meaningful contracts should be given to MBE and WBE subcontractors.

Commissioner Coblenz called for a vote on the amended resolution.



7. Resolution approving a Type II modification to Contract 1200B(4) Central Terminal Remodeling to:

No. 82-0284

- a) provide baggage conveyor tunnels to accommodate the airlines baggage system layout (\$206,014.00)
- b) Provide an electrical loadcenter to power the airlines baggage system (\$228,154.00)

Costs to be reimbursed by airlines as per Airlines/Airport Lease and Use Agreement.

Approved funds are available from the amounts set aside for Type II Modifications for Contract 1200B(4).

\* \* \*

The following items were unanimously adopted:

5. Airport opposition to the Plaza Airport Inn, Millbrae, California

No. 82-0283

Resolution expressing opposition to the proposed construction of four additional stories on top of the existing two story Plaza Airport Inn, Millbrae, California

8. Resolution rescinding prior lease modification and approving new second modification to Barber Shop Lease.

No. 82-0285

Resolution rescinding prior second modification to Barber Shop Lease and approving new second modification to Barber Shop Lease between Airport and Joseph J. Dias.

9. Resolution amending lease specifications and inviting bids for Soaps and Lotions Cart.

No. 82-0286

Resolution amending lease specifications and authorizing Director to invite bids for a Soaps and Lotions Cart in the South Terminal Building.

\* \* \*



G. Consent Calendar Of Routine Administrative Matters:

The following items were unanimously adopted:

11. Declaration of emergency - Sewer

No. 82-0288

Resolution declaring the existence of an emergency in the failure of a sewer line which connects to the deep water outfall; directing the Director of Airports to effect the necessary repairs and requesting Controller to certify funds needed to effect such repairs Sewer - \$10,000.

12. Declaration of emergency - Pavement.

No. 82-0289

Resolution declaring the existence of an emergency in the failure of a water line necessitating pavement repairs at Pier "E"; directing the Director of Airports to effect the necessary pavement repairs and requesting Controller to certify funds needed to effect such repairs. Pavement - \$20,000

13. Tenant improvement.

No. 82-0290

Resolution approving the plans and specifications by United Airlines Maintenance and Operations Center for installation of conveyor system for storage and retrieval.

14. Resolution establishing succession in absence of Director of Airports.

No. 82-0291

Resolution establishing succession in absence of Director of Airports.

1. Deputy Director, Business & Finance
2. Administrator, Planning & Construction
3. Deputy Director, Operations & Maintenance



Consent Calendar : (cont'd)

15. Resolution approving the action of the Director of Airports in the settlement and compromise of claims.

No. 82-0292

\* \* \*

H. Items Initiated by Commissioners:

The following item was introduced by Commissioner Kadish and unanimously adopted:

No. 82-0293

Resolution rescinding  
Resolution 82-0252  
adopted September 20,  
1982.

Commissioner Kadish said that on September 20 the Airports Commission approved Resolution No. 82-0252 freezing funds for the Arts Commission, inasmuch as those funds had previously been transferred to the Art Commission account, and recommended rescinding that Resolution.

\* \* \*

I. Trailing Calendar:

There was no discussion of the Trailing Calendar.

\* \* \*

J. Closed Session/Adjournment:

There being no further calendared business, the Commission went into Closed Session and the meeting was adjourned by 4:00 pm.



W.D. Hanson  
Public Relations Manager  
Secretary (Acting)





October 19, 1982

Honorable Morris Bernstein, President  
and Members  
Airports Commission  
San Francisco International Airport  
San Francisco, California 94128

Dear Commissioners:

I have reviewed the Commission's Management By Objectives statistics for 1981/82 and would like to share some observations with you. As you know, the Airport's MBO system has been operational for three full years. Definite goals and objectives are in place and the staff is accustomed to monitoring and reporting their performance.

Before turning to the specific performance in your key result areas, I would like to address the following issues facing the Airport:

The reconstruction of the Central Terminal is on schedule and within budget. Congratulations. With its opening, slated for July 16, 1983, we will finally have an international facility that will be able to properly process the large number of international travelers who come to our City while reflecting the beauty and style that is San Francisco. I would expect that this new terminal be completely operational when it opens. Concessions should be open and ready for business. Airline check-in and baggage handling procedures should be in full and effective operation. Other public amenities, i.e. phones, lockers, baggage carts, must be in place.

- I ask that you monitor the final stages of the Central Terminal Reconstruction on a monthly basis to ensure that it is completely operational on July 16, 1983.

I am pleased to report to you that members of the Mayor's Fiscal Advisory Committee will begin immediately to provide oversight of your reconstruction program. They will assist us in ensuring the cost effectiveness of the program and will report to me on a regular basis. I, in turn, will report to you.

Airport-generated noise continues to be a major concern to some of the residents in San Mateo. I realize that you and your staff have worked diligently to lessen the noise impact and your efforts have produced excellent results. Your MBO statistics show that you have reduced the number of residences in the 65 Community Noise Equivalent Level area



October 19, 1982

Honorable Morris Bernstein, President  
and Members  
Airports Commission  
Page Two

to 8,055 as of June 30, 1982. This is down from the 15,434 homes affected at this noise level last year. You are well ahead of the schedule set in the Airport Noise Mitigation Action Plan which has a goal of 7,500 homes by 1987. However, you must improve your ability to work with the officials and residents of San Mateo in order that we may address their concerns and explain our noise abatement program. This is particularly important now that the legislation you sought in Sacramento has been signed into law.

- I ask that you direct your Office of Community Affairs to continue and strengthen their ongoing dialogue with Peninsula residents and make quarterly reports to you on their progress.

Let me now turn to your specific performances last year as shown in the MBO system:

Significant progress has again been made in the area of costs versus revenues. In 81/82, the cost of operating the airport rose only 3% over the previous year while concession revenue was up 29% to \$34.7 million. Concession revenue per passenger increased from \$1.31 in 80/81 to \$1.59 in 81/82. Obviously, you have awarded leases for a wide range of concession services and merchandise that are very attractive to the public. I am also pleased to note that 10 new concession leases were awarded last year.

- I expect that concession revenue will increase by at least another 10% this year.

For the fourth consecutive year, the Airport has received the Aviation Institute's Crash, Fire, Rescue and Medical Preparedness Award. Ours is the only major airport in the United States to receive this award for four consecutive years. I know that this award was due, in part, to the fact that the average response time for emergency calls was only 2.6 minutes for the Police Division and the Crash-Fire-Rescue units when the MBO target was 3 minutes or less. This is an outstanding response time and I trust you will ensure that it will continue.

Of concern to me, however, is the continuing problem of automobile accidents at the Airport. In my message to you last year, I noted that there were 304 reported accidents during 80/81 and I requested that you devise a program to dramatically reduce this number. The accidents reported in 81/82 were 314.



October 19, 1982

Honorable Morris Bernstein, President  
and Members  
Airports Commission

Page Three

- I ask that you submit to me within three months a report on how this problem is to be reduced.

The Series C, \$110 million bond issue has now been approved and will be sold shortly. I expect that the Modernization and Rehabilitation Program will remain on schedule while causing the least amount of inconvenience for travelers. I am pleased to note that all terminal and non-terminal construction contracts were awarded below the projected budget costs and that modification costs were kept to less than 3%.

Eighty-six percent of the total available maintenance craft man-hours was devoted to planned and scheduled work. This indicates that significant progress has been made in the area of maintenance emergencies. However, only 15% of your maintenance man-hours were spent on preventive maintenance. This has been a persistent problem. You have approved a five year preventive maintenance program and I would expect this plan to be followed. A lack of preventive maintenance only results in higher costs in later years.

- I ask that you ensure that at least 20% of the available craft man-hours be devoted to preventive maintenance.

It appears that we fell short in another area of great concern to me, that is, the result of the Annual Passenger Survey. This survey, conducted now for three consecutive years, is the most important measurement of how the traveling public perceives our airport. In April, a random sample of eighteen hundred passengers rated the individual services at the Airport (restrooms, shops, eating facilities, parking, etc.) on a scale of 1 (Poor) to 5 (Outstanding). The overall passenger rating for the Airport averaged 3.75 (slightly less than 'Good'), up from 2.70 in 80/81. This is disappointing--we had agreed that at least a 4.0 overall rating was a practical objective to reach.

I realize that much of the cause for passenger dissatisfaction is the South Terminal, an overcrowded, old facility. But you have both the personnel and resources to ensure that it is kept clean, attractive and as uncongested as possible while we plan for the reconstruction with the Series C Bond funds.



October 19, 1982

Honorable Morris Bernstein, President  
and Members  
Airports Commission  
Page Four

- I ask that you request the Director to immediately assign a senior staff member to thoroughly inspect the South Terminal at least twice daily - seven days a week. The overall passenger rating must reach 4.0 this year.
- I also ask that you add to your survey a specific question relating to the cleanliness of all our public spaces at the airport, thus ensuring that we can closely monitor any litter problems.

A good result of the survey was the passenger rating of parking facilities. Usage of the parking garage is up 22% over the previous year and the average passenger rating of 2.98 in 80/81 rose to 3.57 in 81/82. It appears that now that the garage is complete and permanent signing is in place, the traveler finds the garage a convenient facility to use. We do expect, however, this rating to continue to improve.

Before concluding, I would like to take this opportunity to congratulate you on the Art Exhibition Program. The outstanding exhibits you present give our Airport a life and a style unmatched throughout the world. I believe that this program is the single most positive community relations tool we have.

In general, I am very pleased with the performance at the Airport. I have personally seen a great improvement in staff performance and morale resulting in a much more humanized facility. You and the staff have worked diligently, and I, on behalf of the thousands of people who sometimes must spend long hours waiting at the Airport, thank you.

Sincerely,

Dianne Feinstein  
Mayor

DF/PN:pms



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

Tuesday, November 2, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

November 2, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES		1
D.		ANNOUNCEMENT BY SECRETARY		1
E.		DIRECTOR'S REPORTS		
	1.	Update of Valet Parking Service		1-2
	2.	SFIA Parking Revenue Control Improvement Program Update		2
F.		ITEMS INITIATED BY COMMISSIONERS		2
G.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	3.	Airport Contract No. 1465 Integrated Alarm System - North Connector Communications Center Modification No. 1.	82-0298	2-3
	4.	Resolution Approving Type II Modification to Contract 1200B(4) Central Terminal Remodeling as follows:	82-0299	3
	5.	Amendment No. 3 to Signet Testing Laboratories, Inc. Professional Services Agreement for Completion of the Testing Services for contract 1200B(3) - Boarding Area D, Contract 1200B(4) - Central Terminal Remodeling, and Contract 1220 - Terminal Connectors - Additional Maximum Not-To-Exceed Fee: \$100,000.	82-0300	3-4
	6.	Bid Call: Airport Contract No. 1463 Pavement Repairs at Runway 28L-10R and Taxiways G & L.	82-0301	4
	7.	Selection of Engineering Firms to Serve as Consultants for Airfield Capital Projects.		4
	8.	SFAIC Financing for Boarding Area D Tenant.	82-0302	4
	9.	Resolution Awarding Lease - Central Terminal Game Room.	82-0303	5
	10.	Resolution Awarding Lease - Central Terminal Principal Concessionaire	82-0304	5-6



11.	Resolution Awarding Lease Central Terminal Game Room.	82-0305	5
12.	Commemorative Publication for the Dedication of the Central Terminal Opening, 1983.		6
H.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
13.	United Airlines Rent Credit- \$86,975.14	82-0306	6
14.	Declaration of Emergency - Removal of Asbestos Material from Central Terminal Steam Lines. Cost for this work not-to-exceed \$40,000.	82-0307	6
15.	Declaration of Emergency - Compressor Failure	82-0308	6
F.	ITEMS INITIATED BY COMMISSIONERS		7
I.	PUBLIC HEARING Modification to Parking Fee Structure for Revenue Control.		7
J.	COMMUNICATIONS		7
K.	TRAILING CALENDAR		8
L.	ADJOURNMENT TO GO INTO CLOSED SESSION		8



Minutes  
of the  
Airports Commission Meeting

November 2, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:00 p.m. in Room 282, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present: Commissioner Morris Bernstein, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell.

Absent: Commissioner William K. Coblentz

\* \* \*

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of August 3, 1982 were adopted by order of the Commission President.

NO. 82-0297

\* \* \*

D. ANNOUNCEMENT BY SECRETARY:

In accordance with the Brown Act, Section 54957.1 Jean Caramatti, Commission Secretary, announced the unanimous adoption of Resolutions 82-0294 and 82-0295 regarding settlement of litigated claims and 82-0296 approving Modification No. 2 to Professional Services Agreement with Morrison and Foerster to handle Airline litigation.

\* \* \*

E. DIRECTOR'S REPORTS:

1. Update of Valet Parking Service

This is staff's report covering the 5 month period from May to September 1982 on valet parking service as requested by the Commission.



Mr. Turpen, Director of Airports, said this was a follow-up report on valet parking. It is presently stabilized at an average monthly profit of approximately \$1500. Staff will update the Commission at the February meeting.

. 2. SFIA Parking Revenue Control Improvement Program Update.

Update on recent actions taken to further improve Airport parking revenue control.

Mr. Turpen asked Sheldon Fein, Assistant Deputy Director of Landside Operations, to brief the Commission.

Mr. Fein said there were three primary areas that have been worked on in the last three months: 1. interim cash registers for revenue control have been purchased and will be installed by Thanksgiving; 2. the Airports word processing equipment has been utilized to record the parking transactions; 3. work with CERAND and Co. to develop specifications for the computerized parking control system. Staff is reviewing the partial draft submitted by CERAND. It is anticipated that the plans and specifications will be completed by December.

\* \* \*

F. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Kadish asked staff to investigate the possibility of offering baggage carts at no cost to passengers.

Commissioner Kadish commented that the minutes adopted today by the Commission mentioned pursuing revenue with Sam Trans yet she did not see it on the Trailing Calendar. She asked that it be added so that the Commission would have a regular reporting date.

\* \* \*

G. AGENDA ITEMS INVOLVING MAJOR POLICY OR OPERATIONAL DECISIONS:

The following items were unanimously adopted.

3. Airport Contract No. 1465 Integrated Alarm System - North Connector Communications Center Modification No. 1.  
(Debit) \$8,730.00

NO. 82-0298

Resolution approving and requesting the Controller's certification of Debit Modification No. 1 in the amount of \$8,730.00. The contractor for this work is Denialect Alarm Company.

This modification provides for conduit and wiring for relocation of the Public Address System.



Original Amount of Contract	\$209,700.00
Modification No. 1, Type II (Debit)	8,730.00
Revised Amount of Contract	\$218,430.00

4. Resolution Approving Type II Modification  
to Contract 1200B(4) Central Terminal  
Remodeling as follows:

NO. 82-0299	1200B(4)	a. Provide revisions required to accommodate airline offices (costs to be reimbursed by airlines per Airlines/Airport Lease and Use Agreement).
		b. Replacement of deteriorated roofing and waterproofing membranes not included in the scope of work.
		c. Design change to the palm column landscape elements.
		d. Miscellaneous scope revisions.
		e. Omissions in the documents.
		f. Design error in the primary high voltage system

Total proposed cost 1200B(4) Items a - f \$202,198.

Approved funds are available from the amounts set aside for Type II Modifications for Contract 1200B(4).

Mr. Turpen said that of the total amount of \$202,198.00 approximately \$71,500 will be borne by the Airport and relates to items two through eight on the resolution and the remainder will be borne by the airlines.

Commissioner Bernstein asked if the Airport was in any way responsible for this.

Mr. John Costas, Project Manager, said that when the contract documents were put together for this project they did not include any of the items that are presently before the Commission. As the project developed it was found that these items were necessary either as an amount of changing conditions, an error in the documents, or, an omission in the documents.

5. Amendment No. 3 to Signet Testing Laboratories, Inc. Professional Services Agreement for Completion of the Testing Services for contract 1200B(3) - Boarding Area D, Contract 1200B(4) - Central Terminal Remodeling, and Contract 1220- Terminal Connectors - Additional Maximum Not-To-Exceed Fee: \$100,000.

NO. 82-0300	Consultant to perform testing and laboratory work for precast concrete, pour-in place concrete, asphaltic concrete, soil compaction, fireproofing, and structural steel fabrication and welding for completion of Contracts 1200B(3), 1200B(4), and 1200.
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Mr. Turpen said this is a continuation of the testing contract for the last portion of the construction of Central Terminal Boarding Area D. This is an on-call contract for testing services of materials used in construction and remodeling in the Central Terminal.



Commissioner Fleishell asked if it was normal procedure to hire a firm to ensure contract specifications are being met.

Mr. Turpen replied that inspection services are run on virtually all contracts to insure materials used comply with specifications in the contract.

6. Bid Call: Airport Contract No. 1463  
Pavement Repairs at Runway 28L-10R and  
Taxiways G & L.

No. 82-0301

Resolution approving and authorizing the Director of Airports to call for bids for Airport No. 1463, Pavement Repairs at Runway 28L - 10R and Taxiways G & L

The work involves repairing deteriorated pavements and performing electrical and miscellaneous appurtenant work.

Total contract time is 20 calendar days.

The following item was put over.

7. Selection of Engineering Firms to Serve as Consultants for Airfield Capital Projects.

Preliminary approval of the Selection Committee's nomination of consultants for the following projects:

1. Overlay and reconstruct Runway 1L/19R.
2. Boarding Area A Aprons.
3. Overlay and Reconstruct Runway 1R/19L and install Centerline Lighting.
4. Reconstruct Airfield Dikes, Phase II.
5. Reconstruct Taxiway L.

Resolution will express Commission's concurrence with the Selection Committee's recommendations and authorizes the Committee to proceed with negotiations and the development of contracts for the Commission's approval.

Mr. Turpen said that Local 21 requested this item be put over for two weeks. They would like to review some background information and he would like the opportunity to work with them on this issue.

The following items were unanimously adopted.

8. SFAIC Financing for Boarding Area D Tenant.

NO. 82-0302

Resolution increasing from \$11 million to \$18 million the amount of SFAIC financing authorized by Commission Resolution No. 82-0075.



The following items were called together.

9. Resolution Awarding Lease - North Terminal Game Room.

NO. 82-0303

Resolution awarding lease of North Terminal Game Room concession to Atari Inc.

11. Resolution Awarding Lease - Central Terminal Game Room.

NO. 82-0305

Resolution awarding lease of Central Terminal Game Room concession to Atari Inc.

Commissioner Bernstein asked what Atari's plans were for fixturing.

Mr. Jerry Copelan, Airport Property Management, responded that Atari is a Bay Area based corporation and that they're planning to do something in the way of a corporate showplace.

Commissioner Bernstein commented that Atari is a very satisfactory tenant and will do a good job for themselves and the Airport.

The following item was adopted 3-1 with Commissioner Bernstein casting the dissenting vote.

10. Resolution Awarding Lease -  
Central Terminal Principal Concessionaire

NO. 82-0304

Resolution rescinding Resolution No. 82-0270 adopted 10-5-82 and awarding the Central Terminal Principal Concessionaire Lease and Agreement for Rental Merchandising Sales to Duty Free Shoppers N.V.

Mr. Turpen said that although the Commission approved the Principal Concessionaire lease earlier it was subject to Human Rights Commission (HRC) approval. Approval has not yet been given because the successful concessionaire was given 20-working days to file his affirmative action plan with HRC. The Finance Committee determined it was best to refer this back to the Airport for re-certification to the Board of Supervisors once HRC approval had been received.

Duty Free has complied with the provisions of the bid documents and HRC has approved Duty Free's plan.

Mr. Gordon Lau, Attorney, commended the Commission and staff for following Atlanta's plan and stated that the Commission set an important precedent by requesting the concessionaire set aside 25 percent for affirmative action subs, but asked why the subs couldn't get the full 25 percent?

Mr. Lau also stated that the best spaces were on the right hand side, and on the inside of the security area yet the subs got the concessions on the left hand side and outside of security.

Mr. Lau asked the Commission to take a careful look at this and not rubber stamp it. The program is good but the Commission should find out what the concessionaire has to offer to the City. He has no complaint with the subs that have been selected and wishes them luck, but wondered if they were positioned so that they could not compete on a dollar-for-dollar merchandising basis?



Commissioner Kadish asked what type of monitoring the Commission, through staff, had over the type and quality of merchandise in Duty Free.

Mr. Skip Conrad, Airport Property Management, replied that the Principal Concession lease spells out the kind of merchandise allowed. The Principal Concessionaire will monitor the subs and staff will monitor the Principal Concessionaire.

Commissioner Bernstein said that he felt that the bid was perfectly satisfactory however he is voting no on the lease because he cannot vote for a lease that contains a 30 percent warehousing.

The following item was unanimously denied by the Commission.

12. Commemorative Publication for the Dedication of the Central Terminal Opening, 1983.

Mr. Turpen said that "Men Money & Mud" is the official history of the Airport and that there is presently an opportunity to update that history in concert with the opening of the Central Terminal.

\* \* \*

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS

The following items were unanimously adopted.

13. United Airlines Rent Credit - \$86,975.14

NO. 82-0306

Resolution approving a rent credit of \$86,975.14 to United Airlines for certain North Terminal construction work performed by United for the City's benefit.

14. Declaration of Emergency - Removal of Asbestos Material from Central Terminal Steam Lines.  
Cost for this work not-to-exceed \$40,000.

NO. 82-0307

Asbestos insulation on abandoned steam lines is present in areas throughout Central Terminal and is a hazard to workmen. An emergency was declared so that IT Corporation, a contractor licensed to handle asbestos, could immediately remove this hazardous material.

15. Declaration of Emergency - Compressor Failure

NO. 82-0308

Resolution declaring the existence of an emergency in the failure of a compressor on the air conditioning system at Rotunda "A"; directing the Director of Airports to effect the necessary repairs and requesting the Controller to certify funds needed to effect such repairs. \$21,000

\* \* \*



F. ITEMS INITIATED BY COMMISSIONRS:

The following item was unanimously adopted.

Commissioner Fleishell introduced a resolution honoring John McDonald, Sheriff of San Mateo County, on the occasion of his retirement.

NO. 82-0309

Commissioner Fleishell said he was still waiting for a response to his questions regarding accounts receivable from Ken Hammon.

Mr. Hammon said staff was pulling together information for a response.

Mr. Turpen said a report indicating the status of the account and of the concession revenue requests would be forthcoming.

\* \* \*

I. PUBLIC HEARING

16. Modification to Parking Fee Structure for Revenue Control

Public hearing to increase parking revenue control by charging a minimum lost ticket fee and by eliminating the dual rate for high-clearance vehicles and other vehicles in the Long-Term Lot.

Mr. Turpen said that at the last meeting a Director's Report was given indicating there would be a modification in the rates in the garage and the economy lot for a lost ticket. If there are no comments, Mr. Turpen requested the Commission President declare the Public Hearing closed and this matter would be brought before the Commission as a resolution at the next meeting.

\* \* \*

J. COMMUNICATIONS:

There were no items discussed by the Commission.

\* \* \*



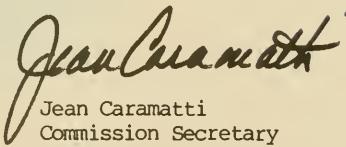
K. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

\* \* \*

L. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 3:04 p.m. to go into closed session.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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SAN FRANCISCO  
INTERNATIONAL AIRPORT

## MINUTES

Tuesday, November 16, 1982

DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

November 16, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A.		CALL TO ORDER		1
B.		ROLL CALL		1
C.		ADOPTION OF MINUTES	82-0310	1
D.		DIRECTOR'S REPORTS	82-0310A	1
	1.	Status on Construction of Central Terminal-verbal report		1-2
	2.	"New" Cable Car Message Sign		2
	3.	Central Terminal Public Telephone Service		2
E.		ITEMS INITIATED BY COMMISSIONERS		2
F.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	4.	Award Contract to Landrum and Brown to Perform Management Audit of the Airport as a Follow-Up to their 1979 Audit At a Cost not to Exceed \$10,000.	82-0312	3
	5.	Bond Trustee and Paying Agent Fees	82-0325	3
	6.	Approval of Procedures for the On-Airport Limousine Permit	82-0313	3-5
	7.	Modification No. 3 to Pro- fessional Services Agreement Associated Geotechnical Engineers, Inc.		5
	8.	Approval of Lease and Use Agree- ment for Non-Litigant Airlines	82-0319	5
	9.	Request to Establish an Additional Airport Police Captain Position	82-0320	5
	10.	Fiber Art Acquisition	82-0321	6
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
	11.	Supplemental Appropriation \$5,945	82-0322	6
	12.	Modification to Parking Fee Structure for Revenue Control	82-0323	6
	13.	Amendment to the Art Enrichment Expenditure Plan	82-0324	6



H.	COMMUNICATIONS:	6
I.	TRAILING CALENDAR	6
K.	ADJOURNMENT TO GO INTO CLOSED SESSION:	7



Minutes  
of the  
Airports Commission Meeting

November 16, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:07 p.m. in Room 282, City Hall, San Francisco, CA.

\* \* \*

B. ROLL CALL:

Present:

Commissioners Morris Bernstein,  
Ruth S. Kadish, Z.L. Goosby.

Commissioner William K. Coblenz  
arrived at 2:45 p.m.

Absent:

Commissioner J. Edward Fleishell.

\* \* \*

C. ADOPTION OF MINUTES:

The following items were adopted by order of the Commission President.

NO. 82-0310

Minutes of the regular meeting of  
August 17, 1982.

NO. 82-0310-A

Minutes of the special meeting of  
August 25, 1982.

\* \* \*

D. DIRECTOR'S REPORTS:

1. Status on Construction of Central Terminal-verbal report.

Mr. Yuen stated that the Central Terminal reconstruction program has six (6) separate construction contracts. He indicated the locations on a diagram and described the contracts.

The ventilation system, heating system, electrical work and fire sprinklers are behind schedule but can be caught up and the Central Terminal should open on time shortly after the July 4th weekend.

An emergency was declared to clean up the asbestos. As of today all asbestos has been removed.

The tower and top floors may not be completed by the opening of the terminal, however, the FAA cannot move before November, 1983. There will be separate access to this area so that the work will not impact operation of the Central Terminal or inconvenience passengers.

Commissioner Kadish commended staff, particularly the terminal construction bureau, for their coordinating work and their progress reports to the Commission.



Commissioner Goosby asked if the concession time table was running as expected.

Mr. Turpen replied that a sufficient lead time was built in to the lease process to insure that they would open on time.

2. "New" Cable Car Message Sign

Report on the progress of the proposed "new" Cable Car Message sign.

Mr. Turpen said that staff would bring a recommendation for bid of the Cable Car Sign and information on whether or not it should be relocated at the December 7 meeting.

3. Central Terminal Public Telephone Service

Report outlining scope of service and number of telephones in Central Terminal Building.

Mr. Turpen asked Ken Hammon, Deputy Director of Business and Finance, to brief the Commission.

Mr. Hammon said that staff has been working closely with Pacific Telephone and Gensler Associates and has come up with some recommendations.

One-hundred six telephones are being recommended with a capacity to grow up to a total of 189. This will almost double our revenues from the phone company because of the new sliding scale that Pacific Telephone has proposed.

Commissioner Kadish asked who will coordinate the design of the placards.

Mr. Hammon replied Gensler, Mr. Friedman, the phone company and Property Management. The placards will be located above the phones and will offer operational instructions in six foreign languages.

\* \* \*

E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Bernstein asked when the Commission would receive the bids on the Bank and Foreign Exchange.

Mr. Turpen said the Commission will receive a memo outlining the amount of the bids and the bidders and will be formerly brought before the Commission at the December 7 meeting. There was only one bid for the bank.

Commissioner Bernstein said that the bank bid was inadequate and would like it held for further discussion.

\* \* \*

F. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were unanimously adopted.



4. Award Contract to Landrum and Brown to Perform Management Audit of the Airport as a Follow-Up to their 1979 Audit At a Cost not to Exceed \$10,000.

NO. 82-0312

Commissioner Goosby asked that language be added to the contract which will allow Landrum & Brown evaluate our progress to date.

5. Bond Trustee and Paying Agent Fees

NO. 82-0325

Resolution authorizing a modification in the fee structure for the Bank of America's services as Bond Trustee and Paying Agent.

Mr. Turpen said there was a negotiated reduction in the fees being paid to the Bank of America which will result in an approximate \$25,000 savings to the Airport.

6. Approval of Procedures for the On-Airport Limousine Permit

NO. 82-0313

Resolution approving application procedure for On-Airport Limousine Permit.

Mr. Turpen said this formalizes procedures already in effect for approving On-Airport limousine permits. This is not an approval of permits but a formal definition of procedures and ratification by the Commission of those procedures.

Commissioner Kadish said that this sets forth procedure but does not provide for the transmission of information. She hoped that information would be mailed and not given verbally.

Mr. Turpen said that was correct.

Mr. Levinson, attorney, said there is not now nor has there even been a procedure and that is why part of this problem has arisen.

Mr. Levinson represents a number of drivers who have been arrested at the Airport under Section 602.4 - soliciting at the Airport. He is objecting to the procedure being adopted which is "nothing more than a re-hash of the permits presently in existence for Golden State Limousine, Associated Limousine." He remarked that this is keeping the single limousine owner from operating at the Airport.

The way the procedure is written it allows only large groups or companies to operate limousines at the Airport. It does not allow for the individual who owns a van. A number of Mr. Levinson's clients own vans with Charter Party Permits. If they were allowed to have booths they could offer cheaper transportation than limousines and taxis.

Mr. Levinson concluded that he felt the Airport has adopted the permits that have already been issued to three large companies but no provision has been made for the small businessman to operate at the Airport. He asked the Commission to take the time to look into this and examine how the small businessman could be given an opportunity.

Mr. Henry Daniels, owner of a mini-bus operating at the Airport, concurred with Mr. Levinson's statements.

Mr. Daniel Piccinini, attorney, said there are those individuals who circulate around the Airport to pick up fares. There are others who tried to legally obtain permits from the Airport but have been unsuccessful. Section 602.4 requires a PUC permit for a charter party and the permission of the Airport. Mr. Levinson's clients all have the PUC permits. They spoke to Mr. Lanzilla in Property Management and



asked for applications, and were told none were available and no information was given as to what was required. They continue to solicit fares at the Airport, a misdemeanor punishable with up to a maximum of 6-months in prison and a \$500 fine.

Commissioner Kadish commented that this reminded her of the situation at the Airport when it was decided to expand the car rental operation from the three big companies to six.

When Commissioner Kadish asked for a procedure she intended all information to be transmitted in the same format so that misunderstandings would not arise. She had thought that the resolution before them reflected that. In actuality, it strengthens current operators and does not allow for expansion of opportunity. It is a procedure for those limousine services with ten or more vehicles and does not allow for smaller operators. She suggested that this might be discussed further at a future date.

Don Garibaldi, Airport General Counsel, said that the resolution before the Commission embodies the current requirements that applies to the three On-Airport limousine operators and they reflect the policy of the Commission when it approved those three operators to be on the Airport. There have been no applications from anyone else to provide a similar service. The necessity to adopt this procedure comes from Judge DeLarios who has several criminal cases pending before him with respect to illegal solicitation by limousine operators at the Airport. He asked to be provided a procedure approved by the Commission. Mr. Garibaldi and the defendants are scheduled to appear before Judge DeLarios on December 3 to report to him that a procedure has been adopted.

Mr. Garibaldi recommended that this procedure be adopted today and any revision could be made at a later time.

Mr. Turpen commented that when this was first developed there were two limousine companies servicing the Airport, and there was a request for a third. The Commission established a set of policy guidelines which allowed for four limousine companies to operate at the Airport. Additionally, there are a number of limousine companies, that operate at the Airport on a regular, pre-arranged basis. Zones have been established for van pick-ups on a pre-arranged basis. The Commission has to consider the implications of deregulating by abandoning a procedure that has worked well. He questioned if we would have limousine service at off-hour periods as we presently do.

The original resolution adopted in 1979 as well as the back-up data will be submitted to the Commission for consideration.

Commissioner Kadish requested that those individuals who spoke today be contacted so that their views can be incorporated into the staff report to be submitted to the Commission.

Mr. Piccinini recommended that the resolution not be adopted today for the purpose of satisfying the court in South San Francisco. There are three basic errors in the proposal and if they were set aside then possibly there could be temporary approval.

Mr. Turpen remarked that putting the item over or abandoning the outlined procedure would suggest that the policy was not well considered. He recommended approval and said he would be happy to compile a report for the Commission's further consideration.

Mr. Piccinini asked the Commission if it could temporarily leave out the section dealing with passenger stage and charter party so that it can be discussed.

Commissioner Kadish said that the Commission appreciated his comments but the procedure outlined in the resolution is in response to her request and that of Commissioner Goosby. Approval of the resolution is not being considered because of the December 3rd court date, as the



Commission had no prior knowledge of it, but because of the Commission's desire to get the ball rolling in relation to the procedure. Commissioner Kadish had no doubt that there would be an adaptation of the resolution after all the information has been submitted.

Mr. Gerald Walker said it has been about two years since he has applied for a permit to operate at the Airport. He has sent in his PUC permit and insurance papers and has never received an application or a response.

Mr. Hollingsworth said he had nothing to add.

Mr. Turpen said that anyone wishing to contribute information should contact staff by December 1st so that a report can be given to the Commission at the first meeting in January.

The following item was removed from the calendar.

7. Modification No. 3 to Professional Services Agreement -  
Associated Geotechnical Engineers, Inc.

Resolution approving Modification No. 3 to increase the consultant's standard schedule rates for services rendered. No additional funds will be required.

Mr. Turpen requested that the item be removed from the calendar. Mr. Leon Bitners, Planning and Control negotiated with the contractor and was successful in maintaining the fee structure. Mr. Turpen thanked Mr. Bitners for his efforts.

The following items were unanimously adopted.

8. Approval of Lease and Use Agreement for Non-Litigant Airlines

NO. 82-0319

Resolutions approving new Lease and Use Agreements for the following air carriers which were not parties to the Airline-Airport litigation and settlement: Alaska Airlines, Inc., China Airlines, Continental Airlines, Inc., Philippine Airlines, The Flying Tiger Line, Inc., and International Air Service Company, Ltd.

9. Request to Establish an Additional Airport Police Captain Position

NO. 82-0320

Request for an additional permanent Captain's position in this year's budget.

The resolution calls for the elimination of two (2) 9210 Airport Police Officer positions and the addition of one (1) Airport Police Captain's position. The resulting difference in pay is a cost saving of \$15,856.00.

Mr. Turpen said that it was Chief Casey's opinion that an additional Captain was needed for supervision during the swing shift in the evening; that two patrolmen positions that were not needed were being eliminated in order to create this position and that no additional patrolmen positions would be added. Chief Casey is available to answer questions.



## **10. Fiber Art Acquisition**

NO. 82-0321

Resolution that the Airports Commission supports the acquisition of the fiber art sculpture by Nance O'Banion.

Commissioner Coblenz said that in the future he would not vote for anything without first seeing a photo, and that henceforth there would not be any appropriations for funds unless the Airports Commission had an opportunity to see photos.

Commissioner Kadish asked that the Commission make a formal request to the Joint Committee that they provide the Airports Commission with photos.

\* \* \*

## **G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:**

The following items were unanimously adopted.

### **11. Supplemental Appropriation - \$5,945**

NO. 82-0322

Resolution requesting supplemental appropriation for supervisory differential adjustment per Section IV. F - Salary Standardization Ordinance.

### **12. Modifications to Parking Fee Structure for Revenue Control.**

NO. 82-0323

Resolution for Commission approval to increase parking revenue control by charging a minimum lost ticket fee and by eliminating the dual rate for high-clearance vehicles and other vehicles in the long-term lot.

### **13. Amendment to the Art Enrichment Expenditure Plan**

NO. 82-0324

\* \* \*

## **H. COMMUNICATIONS:**

There were no items discussed by the Commission.

\* \* \*

## **I. TRAILING CALENDAR:**

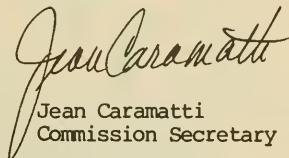
There was no discussion of items on the Trailing Calendar.



\* \* \*

K. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 3:05 p.m. to go into closed session.



Jean Caramatti  
Commission Secretary



# SAN FRANCISCO AIRPORTS COMMISSION



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## MINUTES

TUESDAY, DECEMBER 7, 1982



DIANNE FEINSTEIN, MAYOR

## COMMISSIONERS

MORRIS BERNSTEIN

President

WILLIAM K. COBLENTZ

Vice-President

RUTH S. KADISH

DR. Z.L. GOOSBY

J. EDWARD FLEISHELL

LOUIS A. TURPEN

Director of Airports

San Francisco International Airport

San Francisco, California 94128



Minutes  
of the  
Airports Commission Meeting

December 7, 1982

Calendar Section	Agenda Item	Title	Resolution Number	Page
A		CALL TO ORDER		1
B.		ROLL CALL		1
C.		DIRECTOR'S REPORTS		
	1.	Luggage Carts		1
	2.	Report on Freeway Construction		1
	3.	Airport Travel Agency		1
D.		ITEMS INITIATED BY COMMISSIONERS		2
E.		AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS		
	4.	Airport Noise Variance Action Plan		2
	5.	Award of Banking Services Lease	82-0327	2
	6.	Award of Lease - Foreign Currency Exchange	82-0328	2
	7.	Approval of Sublease - Principal Concession Lease and Agreement	82-0329	2
	8.	Extension of Emergency Shuttle Bus Contract	82-0330	2-3
	9.	I-380 Mitigation Measures	82-0331	3
	10.	Locker Locations in Central Terminal		4
	11.	Authorization to Bid: Map Vending Sales Lease	82-0333	4
	12.	Authorization to Bid: Cable Car Message Unit	82-0334	4
	13.	\$7,692,727 Supplemental Appropriation from Unappropriated Surplus to Capital Projects.	82-0335	4
	14.	Modification of Lease and Use Agreements		4-5
	15.	Type II Contract Modification to (1) Incorporate Contract 1205, Upper Floor Remodeling, to Contract 1200B(4) Central Terminal Modernization; (2) to Fireproof the Upper Floor Structural Steel; and (3) to Replace the Waterproofing Membrane at the Observation Decks-- Total Cost: \$1,316,617.	82-0336	5



16.	Contract 1234 Landscaping Garage Perimeter	5
17.	Selection of Engineering Firms to Serve as Consultants for Airfield Capital Projects 82-0338	5
18.	Resolution Approving the Furnishing and Accessories for the International Terminal and Authorizing the City Purchaser to Proceed with Purchasing these items at the Not-to-Exceed Cost of \$366,000. 82-0339	5-6
19.	Tenant Improvements: Airport No. T-2708 San Francisco Foreign Flag Carriers' 400HZ Ground Power for Boarding Area D - \$448,000 82-0340	6
20	Word Processing Equipment Rental 82-0341	6
F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS		
21	Resolution Authorizing Modification of Data Processing Management Contract with Gentry, Incorporated to Continue Current Services Through End of the Fiscal Year 1982-83	6
22.	Resolution Authorizing Modification of Data Processing Management Contract with Gentry, Incorporated to Include Development of an Airport Revenue Information System.	6
23.	Resolution Approving Modification No. 9 to Contract 1200B(4) in the amount of \$60,224.00 for Required Changes to Accommodate the Airlines Office and Baggage System Revisions Cost to be Reimbursed by the Airlines. 82-0342	7
24.	Approval of United Airlines Sublease to Federal Aviation Administration 82-0343	7
25.	Contract 1200B(3) Boarding Area D, Substitution of Sub-contractor 82-0344	7
26.	Resolution Approving Expenditure to Attend Conference 82-0345	7
G. COMMUNICATIONS		
H. TRAILING CALENDAR		
J. ADJOURNMENT TO GO INTO CLOSED SESSION		



Minutes  
of the  
Airports Commission Meeting

December 7, 1982

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 2:05 p.m. in Room 282, City Hall, San Francisco CA.

\* \* \*

B. ROLL CALL:

Present: Commissioner Morris Bernstein  
Z.L. Goosby, J. Edward Fleishell

Absent: Commissioner William K. Coblenz,  
Ruth S. Kadish

\* \* \*

C. DIRECTOR'S REPORTS:

Items One and Three were put over to the January meeting.

1. Luggage Carts

Report on the feasibility of no-charge for use of luggage carts at the Airport.

3. Airport Travel Agency

Report reviewing airport travel agency and alternatives.

2. Report on Freeway Construction

Report on the status of freeway construction planned in the area of the Airport.

Mr. Turpen, Airport Director, said this was an update to discussions on the construction of a new Airport interchange. This is a \$69-million project with 92 percent coming from federal funds. The project will be accomplished by CalTrans. Mr. Turpen briefed the Commission on the key change in the project with the aid of a map of the Airport and surrounding area. He explained that the change was conceptual and being worked on with CalTrans.

Mr. Turpen indicated that this would be part of an Environmental Impact Report concerning the West of Bayshore.

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D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

\* \* \*

E. AGENDA ITEMS INVOLVING MAJOR POLICIES OR OPERATIONAL DECISIONS:

The following items were unanimously adopted.

4. Airport Noise Variance Action Plan

NO. 82-0326

Resolution adopting the Airport Noise Variance Action Plan to ensure the Airport satisfies the terms and conditions of the Noise Variance issued the Airport on July 8, 1982 by the California Department of Transportation.

Mr. Turpen said the Airport applied for and received a variance from the State of California, Department of Transportation. As a result of the variance certain items were recommended for action by the Airport. These recommendations were incorporated into the Airport Noise Mitigation Action Plan which was approved by the Airports Commission in April, 1981. The Airport Community Roundtable has reviewed the document, and, with the inclusion of the Roundtables work plan, is in agreement with it. Staff has no problem with this. Mr. Turpen recommended approval.

5. Award of Banking Services Lease.

NO. 82-0327

Resolution awarding lease for a term ending September 30, 1985 to Bank of America for the Banking Services Lease for a minimum annual guaranteed rental of \$75,000.

Mr. Turpen said the minimum allowable bid for banking services was \$50,000; the Bank of America bid \$75,000. The term ends September 30, 1985. Mr. Turpen recommended approval.

6. Award of Lease -  
Foreign Currency Exchange

NO. 82-0328

Resolution awarding lease of Foreign Currency Exchange to Citicorp, U.S.A., Inc., for a guaranteed minimum annual rental of at least \$510,000, with a leasehold term of five (5) years.

7. Approval of Sublease - Principal Concession Lease and Agreement

NO. 82-0329

Resolution approving affirmative action subleases between Duty Free Shoppers N.V., as the Principal Concessionaire, and its subtenants.

8. Extension of Emergency Shuttle Bus Contract

NO. 82-0330

Commission Resolution requesting the City Purchaser to renegotiate an emergency interim contract for Shuttle Bus Service as allowed under Section 21.25 of the Administrative Code.



Mr. Turpen said that due to legal problems the shuttle bus contract is not ready and the old contract must be extended.

Mr. Garibaldi, Airport General Counsel, said that just prior to the scheduled date of the bid opening the present operator said he was being discriminated against because of the union contracts he has as compared to the contracts other bidders might have. The basic problem with his contract is that he has long-term employees who receive enhanced vacation and sick leave benefits as a result of their longevity. He has asked that the City Attorney look into this issue to see if the bid documents could be revised to eliminate the problem. This is being looked into.

## 9. I-380 Mitigation Measures

NO. 82-0331

Transmitting to the Commission for their approval, a copy of the Interagency Agreement between the State Department of Fish and Game and CalTrans to perform specialized biological studies of the endangered San Francisco Garter Snake (SFGS) on Airport properties. Approval of this resolution is necessary to proceed with the reconstruction of the Airport Interchange.

Mr. Turpen said CalTrans was responsible for putting in the new Airport interchange at a cost of approximately \$70-million. Since 92 percent of that amount will be federally funded, CalTrans has been working with the Federal Highway Administration in developing its plan. The Highway Administration has certain requirements before it can release the funds to CalTrans. U.S. Fish & Wildlife agree to provide certain clearances and permits. During the development of this project it was discovered that the area was inhabited by the San Francisco Garter Snake. The U.S. Fish and Wildlife is willing to allow the Federal Highway Administration to release the funds to CalTrans provided that certain conditions are met. The key conditions are: 1) that the property be fenced to keep unauthorized personnel out; 2) there be a 25-month environmental study of the San Francisco Garter Snake.

CalTrans is willing to allow the Airport to participate in the selection of the consultant to do the study on the Garter Snake. They are also willing to work with the Airport on improved access to the West of Bayshore. They will allow the Airport a credit on those previous portions of the highway not presently being built because of the Airport's unhappiness with the design concept.

Given the Commission's approval of the document the Fish & Wildlife Department will allow the Federal Highway Administration to transfer \$60-million to CalTrans for the building of the interchange.

Mr. Turpen said that the study is for 25-months and scheduled to begin in January, 1983. There has been a request for one additional year should it be necessary. This would be at the sole discretion of the Commission and only upon scientific proof that additional time, up to a maximum of a year, would be necessary.

Mr. Turpen has spoken with Wally Wortman, Director of Property, and Dean Macris, Director of City Planning, on this issue and they agreed that this is the proper approach.

Mr. Turpen recommended approval.

Commissioner Fleishell asked what power the Commission had to deny them the extra year. He said that if the additional year is denied the money could be withheld.



**10. Locker Locations in Central Terminal**

NO. 82-0332

Resolution approving locker locations in Central Terminal.

The following item was unanimously adopted as amended.

**11. Authorization to Bid: Map Vending Sales Lease**

NO. 82-0333

Resolution approving leasehold specifications and authorizing Director to invite bids for Map Vending Machine concession lease.

Commissioner Fleishell asked how staff would know what percentage of the gross the Airport would be receiving.

Mr. Ken Hammon, Deputy Director for Business and Finance, replied that there would be an in-house audit as well as one from an audit service.

Commissioner Fleishell responded that an audit service only checks reported figures, and there is currently no way of telling if everything has been reported. The specifications must provide for security for the Airport.

The Commission concurred with Mr. Turpen's suggestion of adopting the item subject to the addition of appropriate language.

The following items were unanimously adopted.

**12. Authorization to Bid:  
Cable Car Message Unit**

NO. 82-0334

Resolution approving lease specifications for a Cable Car Message Unit to be attached to Cable Car Sign on main Airport exit road and authorizing Director to invite bids for said concession.

Commissioner Bernstein suggested that messages be subject to Airport approval.

**13. \$7,692,727 Supplemental Appropriation from Unappropriated Surplus to Capital Projects.**

NO. 82-0335

This transfer of funds is made necessary by the new Lease and Use Agreement which requires that ADAP grants and the interest on capital projects funds be used solely for capital projects. Fiscal Year 1981-82 revenues from these sources totalling \$7,692,727 have been credited to Unappropriated Surplus.

The following item was put over to closed session.

**14. Modification of Lease and Use Agreements**

Resolution approving modification of certain Airport-Airline Lease and Use Agreements to provide for:

1. Deletion of Phase III (Central Terminal) space from Pan American World Airways Lease;



2. Substitution of Central Terminal space for South Terminal Phase III space in Northwest Airline's lease;
3. Deletion of two joint use gate areas from the leases of China Airlines, CP Air, Lufthansa, Japan Airlines, Philippine Airlines, Qantas Airways, and Singapore Airlines.

The following items were unanimously adopted.

15. Type II Contract Modification to (1) Incorporate Contract 1205, Upper Floor Remodeling, to Contract 1200B(4) Central Terminal Modernization; (2) to Fireproof the Upper Floor Structural Steel; and (3) to Replace the Waterproofing Membrane at the Observation Decks-- Total Cost: \$1,316,617.

NO. 82-0336

16. Contract 1234 Landscaping Garage Perimeter Approval of Preliminary Plan and Authorization for Bid Call

NO. 82-0337

Resolution approving the Preliminary Plan for landscaping the garage perimeter area and authorizing the Director to call for bids when ready.

17. Selection of Engineering Firms to Serve as Consultants for Airfield Capital Projects

NO. 82-0338

Preliminary approval of the Selection Committee's nomination of consultants for the following projects:

1. Board Area A Aprons.
2. Overlay and reconstruct Runway IL/19R.

Resolution will express Commission's concurrence with the Selection Committee's recommendations and authorizes the Committee to proceed with negotiations and the development of contracts for the Commission's Approval.

Mr. Turpen said that this was a re-introduction of an item held over from a previous meeting. In the interim, he was able to meet with representatives of Local 21 to resolve their concerns.

David Novogrodsky, Business Manager of Local 21, Professional and Technical Engineers, said that agreements were reached that will preserve the work of the Engineering office and Local 21 members. He hoped that in the future Local 21 will be allowed more involvement in the budgetary considerations and budgetary process. He also hoped that over the next few years the engineering office will be built up to what it was some years ago. If there were enough civil service employees there would be no need to contract out.

18. Resolution Approving the Furnishing and Accessories for the International Terminal and Authorizing the City Purchaser to Proceed with Purchasing these items at the Not-to-Exceed Cost of \$366,000.



NO. 82-0339

Mr. Gordon Johnson, Gensler Associates, said that Gensler's fee and time spent on furniture selection was covered in the original agreement with the Airport and no additional money has been expended. Also, the current budget is considerably under what was originally established by the Airport.

19. Tenant Improvements:

Airport No. T-2708

San Francisco Foreign Flag Carriers' 400HZ  
Ground Power for Boarding Area D - \$448,000

NO. 82-0340

Tenant Contract to provide and install 400HZ ground power system for aircraft at Boarding Area D.

All work will be done by San Francisco Foreign Flag Carriers at their own and sole expense.

20 Word Processing Equipment Rental

NO. 82-0341

Resolution authorizes an extension of the contract with Wang Laboratories for the rental of word processing equipment. Resolution further authorizes a transfer of \$26,500 in the budget from the equipment category to the rental category for said rental.

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The following items were put over.

21. Resolution Authorizing Modification of Data Processing Management Contract with Gentry, Incorporated to Continue Current Services Through End of the Fiscal Year 1982-83

Resolution authorizes the modification of the data processing management contract with Gentry, Incorporated to fund the continuation of data processing management services through the time period May 1, 1983-June 30, 1983, at a cost not to exceed \$29,520.

22. Resolution Authorizing Modification of Data Processing Management Contract with Gentry, Incorporated to Include Development of an Airport Revenue Information System.

Resolution authorizes the modification of the contract with Gentry, Incorporated to include the development of software for a computerized Airport Revenue Information System, at a cost not to exceed \$23,500.



The following items were unanimously adopted.

23. Resolution Approving Modification No. 9 to Contract 1200B(4) in the amount of \$60,224.00 for Required Changes to Accommodate the Airlines Office and Baggage System Revisions. Cost to be Reimbursed by the Airlines.

NO. 82-0342

Resolution Approving Modification No. 9 to Contract 1200B(4) in the amount of \$60,224.00 for required changes to accommodate the airlines office and baggage system revisions. Cost to be reimbursed by the airlines.

24. Approval of United Airlines Sublease to Federal Aviation Administration

NO. 82-0343

Resolution approving sublease of 100 sq. ft. for installation by FAA of Low Level Wind Shear Alert System Station.

The following item was unanimously adopted as amended.

25. Contract 1200B(3)  
Boarding Area D, Substitution of Subcontractor

NO. 82-0344

Resolution approving request of General Contractor, Williams and Burrows, to substitute a new landscaping subcontractor for Cleveland Landscaping.

The following items were unanimously adopted.

26. Resolution Approving Expenditure to Attend Conference.

NO. 82-0345

Resolution approving expenditure of \$835 for two staff members to attend Airport Management Short Course.

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#### G. COMMUNICATIONS:

There were no items discussed by Commissioners.

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#### H. TRAILING CALENDAR:

There was no discussion of items on the Trailing Calendar.

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J. ADJOURNMENT TO GO INTO CLOSED SESSION:

There being no further calendared business before the Commission the meeting was adjourned at 2:55 p.m. to go into closed session.

*Jean Caramatti*  
Jean Caramatti  
Commission Secretary









